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Subject: Agendi CARB Public Comment Submission

Date: September 10, 2025

To: California Air Resources Board (CARB)

To Whom It May Concern,

We are writing this statement to provide insights into the questions posed by CARB during the previous public workshops. This commentary is submitted on behalf of Agendi, a sustainability consultancy supporting over 200 clients on climate and sustainability matters. We appreciate your request for and consideration of public feedback and hope our feedback is beneficial to your implementation development! We've summarized the main points below followed by more detailed context in the subsequent pages.

Executive Summary:

- **Reporting Deadlines (SB 253):** The proposed June 30, 2026 deadline is unrealistic for most companies, especially given fiscal year-end processes and assurance timelines. We recommend an end-of-year deadline and clarification on which fiscal year is intended.
- **Data & Standards (SB 253):** Align Scope 1 and 2 disclosures with existing frameworks (e.g., CDP) and confirm whether companies will report via a CARB template or share existing disclosures. Ensure the GHG Protocol remains the calculation standard for emissions calculation and that acceptable assurance frameworks are those already widely in use.
- **Materiality & Scope 3 (SB 253):** Require disclosure of all relevant categories, with explanations for omissions. If clarity is needed, specify that acceptable estimation methodologies for Scope 3 emissions follow GHG Protocol expectations.
- **SB 261:** The draft checklist is workable for year one; we recommend further guidance for subsequent years to drive continuous improvement.
- **General & Scoping Issues:** Use the Franchise Tax Board (FTB) definition of "doing business in CA" for consistency. Clarify fee structures and timelines, and provide clear guidance on parent/subsidiary reporting responsibilities—ideally with visual aids or flowcharts.

The points outlined above reflect our high-level recommendations. To provide additional context and ensure clarity, we have expanded on each topic in the detailed comments below. These comments are organized by regulation (SB 253 and SB 261) and general/scoping considerations, with specific recommendations for CARB's consideration:

SB 253

- *Reporting Deadline*
    - The proposed June 30, 2026 deadline is unrealistic for most companies. Data for fiscal years ending in December 2025 often becomes available only in February, after annual reports and SEC filings. Adding 1–3 months for assurance further shortens the timeline.
    - An end-of-year (EOY) deadline would better accommodate company reporting cycles and ease the burden on both companies and assurance providers. As some companies have a fiscal year that is not aligned with the calendar year, this deadline will allow companies with varying deadlines the ability to have ample time to comply.
    - Clarify whether "FY25" refers to the company-defined fiscal year or the most recent fiscal year ending within calendar year 2025. We assume the former but explicit guidance would avoid confusion.
- *Scope 1 and 2 Data Fields*
    - While we understand the template mentioned during the workshop remains under development, we encourage CARB to consider aligning it with established frameworks, like CDP, to minimize duplicative work and reformatting.
    - Clarify whether CARB will require companies to submit data in a separate CARB-owned template, or whether companies can provide links to existing public disclosures (similar to SB 261).
- *Standards & Guidance for GHG Emissions and Assurance*
    - Require the use of the Greenhouse Gas Protocol (GHGP) for GHG accounting methodologies. Nearly all companies already apply this standard, which is also referenced by CDP, SBTi, IFRS, and CSRD. Additional requirements would add unnecessary burden for reporting entities. The GHGP will continue to be the most relevant and practical standard to use for emissions accounting given the recent announcement of their partnership with ISO.

  - CARB should not attempt to prescribe data collection methodologies; companies already follow GHGP guidance on this. Creating a comprehensive list of data collection methodologies for companies to follow would also be overly cumbersome for CARB as they are quite organizational and industry specific. We would recommend that CARB instead support reporting entities by compiling a resource guide that contains useful information for GHG accounting that can be leveraged (e.g. links to NZDPU, CDP, GHGP guidance, etc.)
  - We are aligned with CARB's suggestion to use assurance frameworks already widely in use.
- *Materiality*
  - A simple approach would be to request companies to disclose all relevant categories, regardless of materiality. If companies choose not to disclose, require an explanation for exclusion (as included in CDP).
  - If CARB introduces a materiality threshold, we recommend adopting SBTi's 5% threshold.

SB 261

- *Minimum Requirements*
  - The draft checklist is a solid foundation for year one compliance.
  - We recommend providing additional guidance for subsequent reporting cycles to encourage continuous improvement and clarify expectations.

General & Scoping

- *Definition of Doing Business in CA*
  - To avoid confusion, we recommend CARB use the Franchise Tax Board (FTB) definition to ensure consistency across California agencies and leverage the understanding that many companies had prior to the August 21st workshop.
  - If CARB does release a preliminary list of in-scope entities, it should be accompanied by extensive clarifications. Otherwise, companies may treat the list as definitive and draw incorrect conclusions. A clear mechanism for confirming scope and notifying companies of compliance obligations is essential.

  - Organizations with atypical business structures (e.g. sports and entertainment organizations) would benefit from greater clarification on determining the applicability of these regulations.
- *Fees*
  - Clarify how the annual fee will be applied under SB 261 given its biannual reporting structure.
  - Clarify fee timing (e.g., within three months of the regulatory deadline) and structure (e.g., whether a parent company reporting on behalf of multiple subsidiaries is charged once or multiple times).
- *Parent/subsidiary definition*
  - Current guidance is a bit confusing. A visual aid or flow chart would be highly useful to illustrate how companies should handle reporting responsibilities across corporate structures, including if global (non-US based) consolidated reports are acceptable for compliance.

We appreciate CARB's commitment to a transparent and collaborative process in developing these regulations. It is clear that you have carefully considered a significant amount of stakeholder feedback, and we thank you for the opportunity to contribute to this dialogue. We remain open to continued discussions with CARB, if it may be deemed beneficial to further understand our commentary and guide the implementation documents. We're excited by the progress that has been made since May and deeply appreciate your efforts!

Best,

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Samantha Weinberg | *Senior Consultant* | San Francisco

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Introduction to Agendi

Agendi is a specialist climate and sustainability consulting firm serving Fortune 500 and other large international organizations on ESG topics. Founded in 2016, Agendi has supported more than 200 clients with services spanning climate strategy, carbon markets, emissions accounting, and stakeholder engagement. The firm's team combines deep subject matter expertise with decades of experience in

ESG and climate advisory, delivering tailored, innovative solutions that help clients meet their sustainability goals. Agendi's credibility is reinforced by its accreditations and commitments, including obtaining B-Corp certification, serving as a CDP accredited solutions provider, having approved Science Based Targets, being a Green-e certified provider, having an EcoVadis Silver rating, and recognition as a Friend of EFRAG.

Introduction to Contributors

Natalia Pascual

Natalia Pascual is Agendi's West Coast Lead, based in San Francisco, and a recognized expert in climate and sustainability strategy. With more than a decade of consulting experience, she serves as one of Agendi's leads on California climate disclosure, supporting clients with complex greenhouse gas inventories, the design and implementation of climate strategies, and the assessment of climate-related financial risks and opportunities. She has advised over 35 companies across 15+ industries, guiding organizations through compliance with the California Climate Disclosure Package and aligning their reporting with both state and global frameworks. A recognized thought leader, Natalia has contributed to influential resources such as the IEA's Life cycle Upstream Emission Factors 2023 (Pilot Edition) documentation and the Green Sports Alliance's Decarbonization Playbook. She regularly shares her expertise at high profile forums including San Francisco Climate Week (2024, 2025), the Green Fin conference, the GSA Summit, and Trellis Impact, where she has led discussions on climate regulation, Scope 3 challenges, ESG strategy, and supply chain engagement.

Samantha Weinberg

Samantha Weinberg is a Senior Consultant at Agendi in our San Francisco office. She has over a decade of experience in corporate sustainability strategy in climate action and has worked extensively with Fortune 500 companies and multinational organizations, both as an external advisor and in-house sustainability expert. Samantha specializes in supporting clients across the full spectrum of their sustainability journeys, including conducting complex GHG inventories and climate-related risk and opportunity assessments. She has been instrumental in guiding companies through the compliance with the California Climate Disclosure Package, helping them align disclosures with both state and global reporting frameworks. Samantha also regularly speaks at events on sustainability and climate disclosure and has contributed to the Green Sports Alliance playbook on energy decarbonization. Her background in corporate social responsibility has included prior roles at the World Economic Forum, DAI, the National Human Rights Council of Morocco, and the African Presidential Center at Boston University.