

Submitted online via Public Comments re. Climate Disclosure Workshop | California Air Resources Board

September 11, 2025

California Air Resources Board
1001 I Street
Sacramento, CA 95814

Subject: Public Comments to California Corporate Greenhouse Gas (GHG) Reporting and Climate Related Financial Risk Disclosure Programs

Thank you for the opportunity to provide public comments to inform implementation of California Climate Disclosure Legislation: Senate Bills 253 and 261, as amended by SB 219. UL Solutions recognizes that mandating environmental, social and governance (ESG) disclosures and reporting would help establish fairer markets for the growing number of investors seeking comparable ESG information.

UL Solutions is a leading provider of testing, inspection and certification services, and complementary software, advisory and assurance services across a wide range of industry sectors. This includes a global ESG Advisory and Assurance team and an ESG data management software offering (UL360) that helps companies meet the reporting requirements of certain mandatory ESG disclosures, such as the Corporate Sustainability Reporting Directive (CSRD), as well as voluntary disclosure schemes like the CDP, Global Reporting Initiative (GRI), International Sustainability Standards Board (ISSB) and other global frameworks. We are actively assisting companies in meeting the reporting requirements of SB 253 and SB 261 and have heard their feedback and concerns. Our 20+ year tenure in this space and experience serving customers subject to mandatory disclosure inform our comments below.

Timeline and Implementation Standards

- CARB has indicated that implementation standards will be finalized in December 2025, with the first SB 261 report due by January 1, 2026. Given the limited time for companies to incorporate new guidance, we recommend that any substantive changes to the checklist or reporting expectations be applied to the second biennial reporting cycle. For the initial reporting period, we suggest that adherence to the currently published guidelines be considered a “good faith effort of compliance.”

Assurance Requirements

- We support CARB’s intent to include the “most relevant and comprehensive assurance standards” and therefore agree that AA1000 and ISO 14064-3 should be considered applicable assurance standards for SB253 disclosures. These standards are widely adopted by both reporting companies and assurance providers. We also welcome the consideration of nascent assurance standards such as ISSA 5000 but want to point out that it is not effective until December 2026 and therefore will unlikely see significant adoption until 2027.

- We noted that CARB accreditation of assurance providers was **not** stated as a requirement in the August 21 workshop, and this was supported by the Q&A response at 1:27 into the presentation that confirmed CARB accreditation is not intended. We support this view as many reporting companies subject to SB253 will have already selected assurance providers that are not CARB accredited. Should CARB impose accreditation requirements, UL Solutions recommends that they are broad and reflective of existing accreditation frameworks, and that they are phased in to avoid unintentionally disqualifying assurance providers already selected by the reporting company.

Scenario Analysis

- We appreciate CARB's clarification that scenario analysis may be qualitative for the first reporting cycle. However, we note that making scenario analysis optional may limit the usefulness of disclosures for stakeholders seeking to understand the resilience of company strategies to climate-related financial risks. UL Solutions offers advisory services that support qualitative and quantitative scenario analysis aligned with TCFD. To enhance transparency and comparability, we encourage CARB to consider allowing companies to conduct qualitative analysis on an ongoing basis with an option for quantitative analysis.

We appreciate the opportunity to provide comments on this important topic. UL Solutions and its technical experts are engaged in various technical committees across the International Organization for Standardization (ISO), GHG Protocol and other standard-setting organizations. We believe that robust, yet flexible, standardization of reporting requirements would provide a level playing field for climate-related impact assessment. We look forward to further collaboration to delve deeper into more specific programmatic details. If you have any questions, please contact Melissa Klein, Federal and State Government Affairs Lead, at Melissa.Klein@UL.com or 202.704.0607.

Sincerely,

/s

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