
SB 253 California Corporate Greenhouse Gas Reporting Program

INFORMATIONAL ITEM

OCTOBER 22, 2026



Agenda

1. CARB staff overview presentation
2. Expert panel presentations
 - Catherine Atkin: Context and history of authorizing legislation
 - Tim Mohin: Background and global use of Greenhouse Gas Protocol
 - Chris Shimoda: Industry perspective on SB 253 implementation
 - Maggie Delmas: State of existing corporate climate disclosures
3. Board discussion and public comment

Climate Corporate Data Accountability Act

Senate Bill 253 (Wiener 2023 ch. 382, as amended by SB 219 (Wiener 2024, ch. 766), Health and Safety Code § 38532)

Requirements:

- Disclosure of Scope 1 (direct), 2 (indirect), and 3 (value chain) GHG emissions, in conformance with Greenhouse Gas Protocol
- Limited assurance required for Scope 1 & 2 emissions
- After 2030: Scope 1 & 2 reasonable assurance; Scope 3 limited assurance

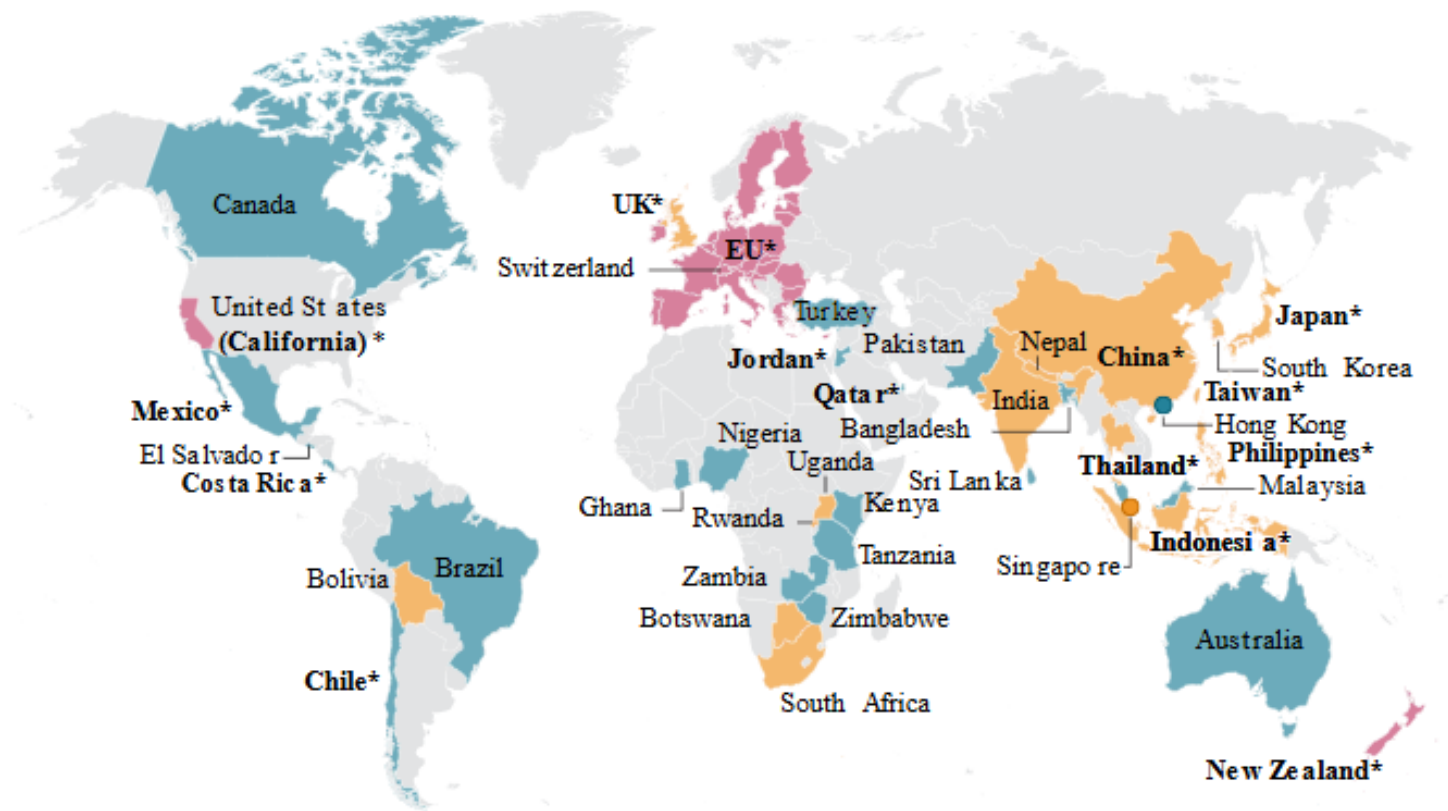
Applies to:

- U.S.-based entities
- Doing business in California
- > \$1 billion in annual revenue

Deadlines:

- Scope 1 & 2 in 2026
- Scope 1, 2, & 3 in 2027+

■ Adopted ■ Plans to adopt ■ Other jurisdictions with related disclosure standards



Climate Disclosure: New Global Baseline

- California has a long history with climate data reporting and has established several climate-focused programs.
- Jurisdictions around the world are recognizing the value of climate transparency, akin to existing financial reporting disclosures.
- Value for companies, investors, consumers, policymakers and more.

Source: S&P Global Energy, S&P Global Sustainable1 • Data as of Jan. 23, 2026

"Adopted" and "Plans to adopt" includes jurisdictions that have applied or have a timeline to apply IFRS S1 and/or IFRS S2, as well as those that have modified the standards to fit the local market.

Greenhouse Gas Reporting Scopes



Scope 1

Direct emissions from sources owned or controlled by a company.



Scope 2

Indirect emissions from the generation of a company's purchased energy.

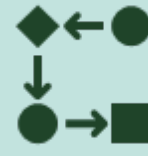


Biogenic CO₂ emissions

Reported separately from scope 1, 2 & 3 totals (other GHGs included in scope totals).

Seven GHGs:

CO₂, CH₄, N₂O, SF₆, PFCs, HFCs, NF₃



Scope 3

Indirect emissions in the value chain of a company.

1. Purchased Goods and Services
2. Capital Goods
3. Fuel and Energy-Related Activities
4. Upstream Transportation and Distribution
5. Waste Generated in Operations
6. Business Travel
7. Employee Commuting
8. Upstream Leased Assets
9. Downstream Transportation and Distribution
10. Processing of Sold Products
11. Use of Sold Products
12. End-of-Life Treatment of Sold Products
13. Downstream Leased Assets
14. Franchises
15. Investments

Legislative Direction (HSC § 38532)

- “A **reporting entity shall measure and report emissions of greenhouse gases in conformance with the Greenhouse Gas Protocol standards and guidance**, including the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. . .”¹
- “The **state board** shall ensure. . .”
 - “...timelines consider industry stakeholder input...
 - “...public disclosure maximizes access for consumers, investors, and other stakeholders...
 - “...structured in a way that minimizes duplication of effort.”

1. Wiener, Stats. 2023, ch. 382, as amended by SB 219 (Wiener, Stats. 2024, ch. 766).

Regulatory Drafting and Implementation

- Balance flexibility and clarity
- Administrative Procedure Act compliance: clarity, necessity, authority, consistency, non-duplication, reference
- Consider learning curves for new requirements
- Generate meaningful data for end users while protecting confidential business information
- Ongoing public and reporting entity engagement

Initial Regulation in Effect on October 12, 2026

- Initial Regulation Scope:
 - Applicability: Defining revenue, “doing business in California.”
 - Fees: Program costs divided equally among reporting entities.
 - First year reporting requirements for Scopes 1 and 2.
- Approved by the Board in February 2026 and Office of Administrative Law in October 2026.
- First year reporting deadline: November 10, 2026.
- Entities report Scope 1 and 2 emissions using information that can be determined from information the reporting entity already possesses or was already collecting on or before December 5, 2024.
- Reporting Guidance was published on September 1, 2026.

Overview of Subsequent Regulation

- **Mandatory Scope 1 & 2 Reporting:** Transition from best available (in 2026) to detailed annual reporting, incorporating GHGP requirements and adding limited assurance requirements.
- **Mandatory Assurance Standards:** Accept a suite of international standards and accreditations to maximize eligible assurance provider pool.
- **Scope 3 Emissions:** Adding new reporting scope, but no data assurance required in initial years. CARB is considering options to phase in Scope 3 reporting to provide flexibility in early years.

Subsequent Regulation Engagement in 2026



Stakeholder
Meetings

Diverse sectors



Two Public
Workshops

> 2,000 attendees each



Six Sector-Specific
Listening Sessions

> 200 attendees each



Climate Disclosure
Email Inbox

> 1,000 responses sent



Public Feedback

> 200 written comments



Guidance
Documents

> 26,000 subscribers

Sector-Specific Listening Sessions



Six Sector-Specific Listening Sessions

- 220 attendees on average
- 177 comments and questions



Data Users & Public Interest Stakeholders



Manufacturing, Industrial, Fuel & Life Sciences



Agriculture, Food, Beverage & Forestry



Energy, Utilities, Transportation, Logistics & Waste Management



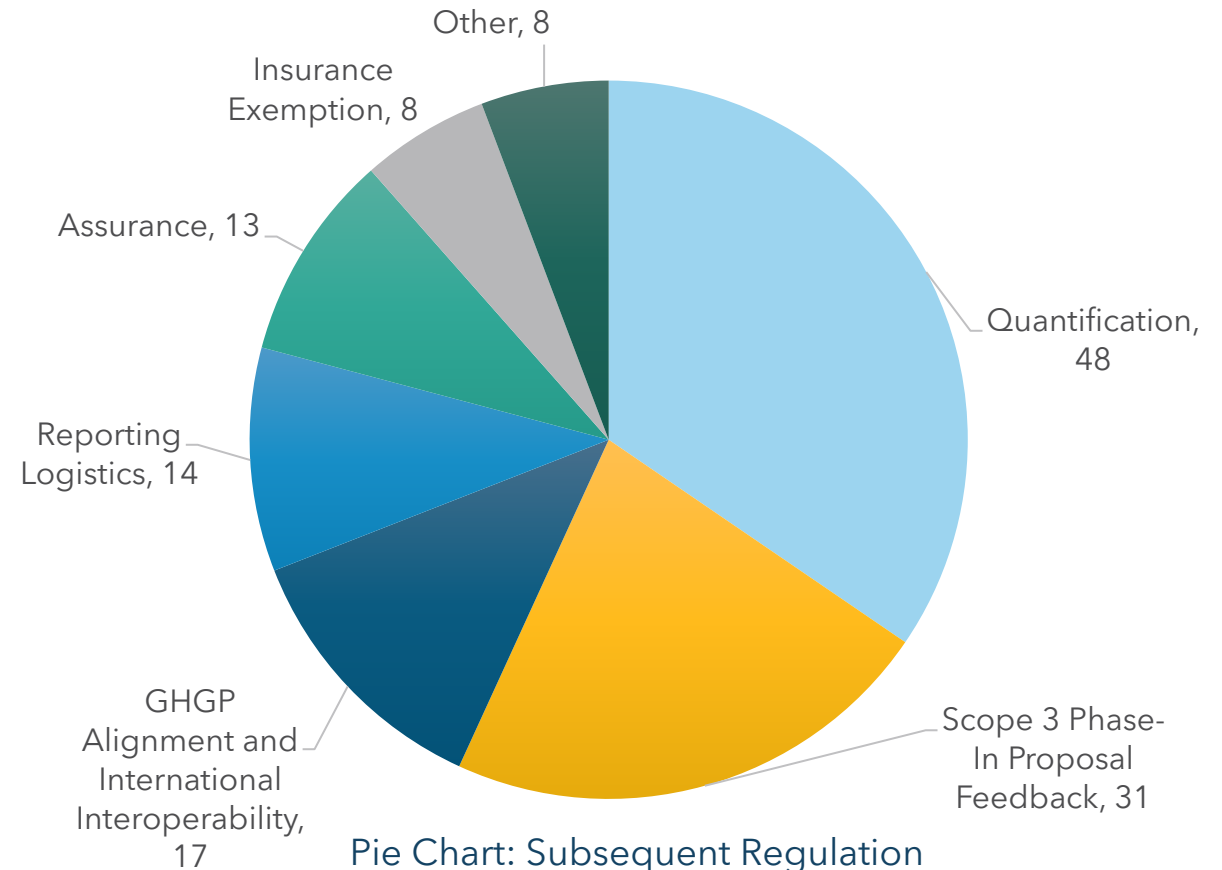
Retail, Consumer Goods, Technology & Commercial Services



Banking, Finance & Insurance

Major Themes from Listening Sessions

- **Quantification Methods:** Requests for flexibility on recalculation and base year requirements, along with more flexible data methods reporting.
- **Scope 3:** Requests for clearer guidance and preference for reporting entities to self determine which Scope 3 categories to report.
- **Interoperability:** Requests for substituted compliance with reports created for other jurisdictions or government agencies.
- **Reporting Logistics:** Requests for supportive tools and to leverage data from existing reports.
- **Assurance:** Requests for clarification on assurance reporting, and support for standards and accreditations.



Pie Chart: Subsequent Regulation Comment and Question Themes

Focus: Scope 3 Reporting

The Greenhouse Gas Protocol

- “Scope 3 is an optional reporting category that allows for the treatment of all other indirect emissions. Scope 3 emissions are a consequence of the activities of the company, but occur from sources not owned or controlled by the company.”¹
- “Ultimately, this is more than a technical accounting standard. It is intended to be tailored to business realities and to serve multiple business objectives. Companies may find most value in implementing the standard using a phased approach, with a focus on improving the quality of the GHG inventory over time.”²

Statutory Context

- Health and Safety Code 38532 requires conformance with Corporate Standard and Scope 3 Standard.
- Staff evaluating how to maintain this flexibility in the context of a regulation.

1. The Greenhouse Gas Protocol. Corporate Standard, Revised Edition.

2. The Greenhouse Gas Protocol. Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Next Steps

- Initial Regulation is in effect, and 2026 reports are due by November 10, 2026.
- Subsequent Regulation:
 - Public workshop.
 - Rulemaking package will be released for 45-day comment.
 - Board consideration of rulemaking package.

Expert Panelists

	Catherine Atkin Carbon Accountable		Tim Mohin Greenhouse Gas Protocol
	Chris Shimoda California Council for Environmental and Economic Balance		Maggie Delmas University of California, Los Angeles

The perspectives reflected in this section of the agenda are solely on behalf of the speakers. CARB does not take a position on speaker perspectives. Any information posted on CARB's website or shared by CARB must undergo an internal review process.



CARB BOARD | INFORMATIONAL UPDATE ON SB 253

Setting the State Legislative Context

Purpose, goals, and benefits of the Climate Corporate Data Accountability Act

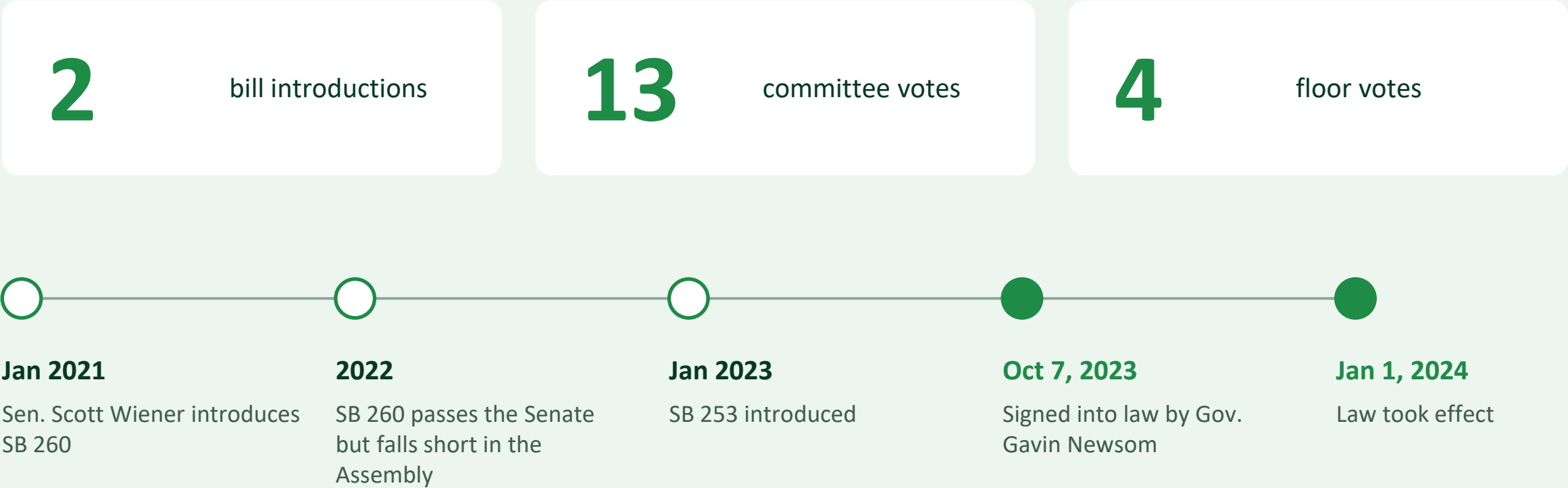
Catherine Atkin, Esq.

Director and Co-founder, Carbon Accountable

October 22, 2026



A three-year legislative journey



Authored by Senator Scott Wiener. Co-sponsored by Carbon Accountable, California Environmental Voters, Ceres, and The Greenlining Institute.

Why corporate reporting reform was needed

Before SB 253, the data companies, investors, and the public needed was largely missing.

<1 in 10

Measurement is rare

Fewer than one in ten surveyed companies comprehensively measured emissions across all scopes

Boston Consulting Group

11x

Scope 3 is most of the footprint

On average, value chain emissions are more than 11 times Scopes 1 and 2 combined

CDP, Engaging the Chain (2021)

2x

Private companies are a blind spot

More than twice as many private as public U.S. companies exceed \$1 billion in revenue, yet few disclose

Carbon Accountable SB 253 brief

87%

The public expects it

Of Americans say it is important that the largest companies publicly disclose their climate data

JUST Capital poll

Why California acted

In 2020, corporate emissions reporting was voluntary and fragmented. It was not enough to meet the scale of the climate challenge.



Voluntary reporting left gaps

Companies chose whether to report, what to count, and how to count it.



Federal action stalled

Gridlock in Washington blocked national climate legislation.



California could lead

One of the world's largest economies, with a long record of climate leadership.

The question we asked: why not start in California?



What SB 253 requires



Who reports

U.S. companies with more than \$1 billion in annual revenue that do business in California



What they report

Scope 1, 2, and 3 emissions, measured in conformance with the GHG Protocol



When

Scopes 1 and 2 beginning in 2026. Scope 3 beginning in 2027



Assurance

Independent third-party assurance, phased from limited to reasonable for Scopes 1 and 2 by 2030



Public access

Disclosures on a public, digital platform that is easy to understand and use



Efficiency

Parent-level reporting, and reports prepared for other jurisdictions accepted if they meet the law

Four first principles built into the law



Completeness

Full Scope 1, 2, and 3 reporting. The whole value chain, not a partial picture.



Harmonization and efficiency

GHG Protocol conformance, parent-level reporting, and equivalency with other regimes.



Usability

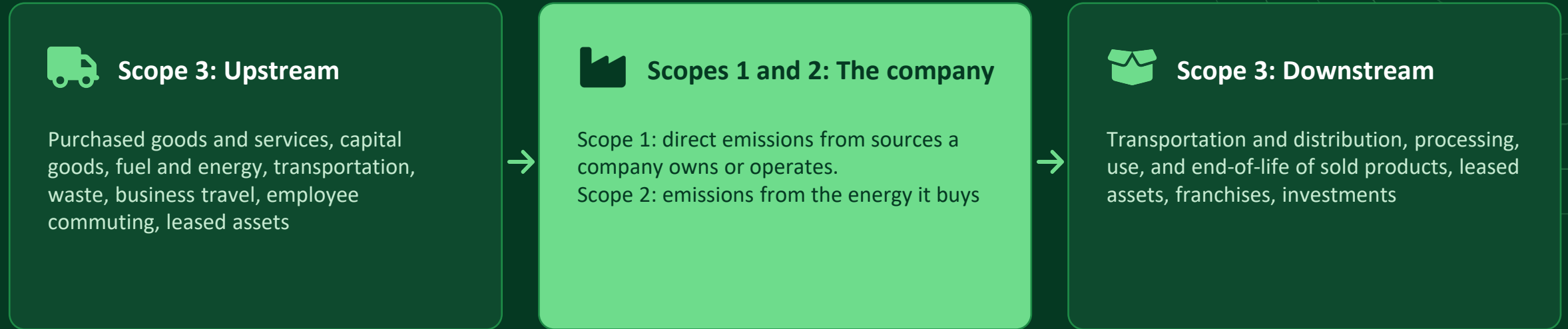
A public, digital registry that investors, consumers, and others can actually use.



Verifiability and accountability

Independent assurance and enforcement, so the data can be trusted.

Built on the GHG Protocol



WHY THE LEGISLATURE CHOSE IT

The global standard

The accounting foundation for voluntary and mandatory frameworks worldwide

Already in use

Familiar to companies that report today, so they are not starting from scratch

Scope 3 is doable

Companies can use secondary data, like industry averages, when supplier data isn't available

Supports and on ramps for Scope 3 reporting

Scope 3 value chain emissions are critical part of the emissions profile but policy design recognizes there's a learning curve.



01

Secondary data is allowed

The GHG Protocol allows companies to use secondary emissions data rather than collect primary data from every supplier.



02

A one-year head start

Scope 3 reporting begins in 2027, a year after Scopes 1 and 2, giving companies time to build their value chain data.



03

A safe harbor

Reporting entities are not subject to penalties for Scope 3 disclosures made on a reasonable basis and in good faith.

What the law delivers for California

Credible and decision-useful emissions data



For companies

The emissions data they need to manage risk and inform business planning



For investors and consumers

Comparable information to inform decision making



For California

National and global policy leadership that strengthens climate leadership and catalyzes new markets

Passing the law was the beginning

Implementation is the task ahead: a program that delivers complete, comparable, and credible data, true to the principles the Legislature enacted.

Thank you

Catherine Atkin, Esq. | catherine@carbonaccountable.org

A common accounting language for credible corporate GHG reporting

Tim Mohin
CEO, GHG Protocol

CARB Board Meeting

22 October 2026

GHG Protocol provides a long-standing, globally recognized foundation for carbon accounting



Established in 1998

Developing **standards to measure, manage and report** GHG emissions and track progress towards decarbonization targets.



Robust, inclusive development process

Standards shaped **through global multi-stakeholder** engagement across business, government, academia and civil society.



Widely adopted standards

97% of S&P 500 companies use GHG Protocol accounting and reporting standards.

Our **vision** is that all private and public entities account for their GHG emissions, enabling an acceleration in reductions in line with the global warming limits required by climate science.

Global role further strengthened through ISO Partnership and Belém Mandate

September 2025



GHGP-ISO Partnership

Strategic partnership to **deliver harmonized global standards** for greenhouse gas emissions accounting.

November 2025



COP30 Belém Mandate

Mandate **entrusting GHGP and ISO to lead** harmonization of global carbon accounting standards within COP Action Agenda.

Through its Corporate Standard, GHG Protocol provides the accounting foundation for SB 253 climate disclosures reporting



SB 253 requires Scope 1, Scope 2 and Scope 3 GHG emissions disclosure¹, and references GHG Protocol for corporate emissions accounting, with the Corporate Standard at the center.



GHG Protocol Corporate Standard provides requirements and guidance for preparing a corporate-level GHG emissions inventory, including:



Definitions

Defines Scope 1, Scope 2 and Scope 3 and key concepts used in corporate GHG accounting.



Accounting methodology

Provides principles and methods for quantification of greenhouse gas emissions.



Reporting requirements

Supports consistent, granular GHG information reporting for different purposes, including SB 253.

¹Scope 1 and Scope 2 emissions reporting begins in 2026, with Scope 3 reporting scheduled to beginning in 2027.

Existing mandatory and voluntary disclosure systems embed GHGP standards, supporting global interoperability and easing implementation



Mandatory in 37 countries & growing

Global baseline for investor-focus sustainability disclosures.¹

Absorbed TCFD, SASB, IIRC recommendations.



Mandatory for in-scope companies

EU standards for sustainability disclosures (ESRS)² are mandated for use by the EU corporate sustainability reporting directive – CSRD (covers 27 EU countries and companies doing business in the EU)



Voluntary

Global framework for reporting environment, social and economic impacts.³



GHG Protocol standards **are the universal foundation for climate disclosure** used by each of these standards as a basis for climate reporting and disclosure.

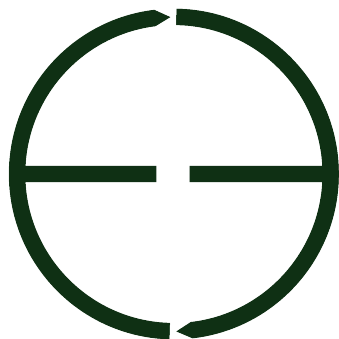


Through this, GHG Protocol is mandated for use in **~63% of Global GDP and ~58% of global emissions.**⁴

¹Exclusive dynamic reference to GHGP & formal MOU. ²Dynamic reference to GHGP and ISO. ³GRI 102 and 305 reference & require use of GHGP. ⁴Combined GDP and emissions of jurisdictions requiring climate disclosure built on GHG Protocol standards.

Thank you!





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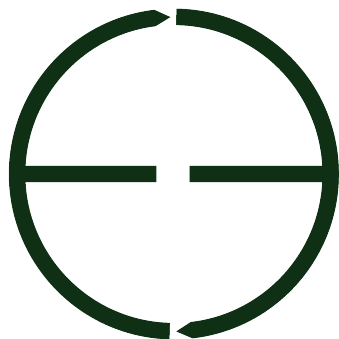
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Presentation to the California Air Resources Board by the California Council for
Environmental and Economic Balance

Business Perspective on California Climate Disclosure



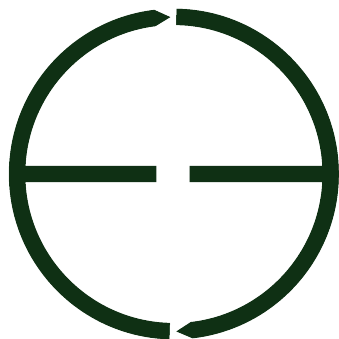
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- Governor Edmund G. “Pat” Brown founded the California Council for Environmental and Economic Balance (CCEEB) in 1973 to bring together the perspectives of business, labor, and public leaders in pursuit of balanced and effective policy solutions.
- Our approach is informed by Governor Brown’s philosophy that in California we should never say, “No,” but instead say, “Here’s How.”
- Business members are some of the largest employers in the State and include both experienced and first-time reporters.



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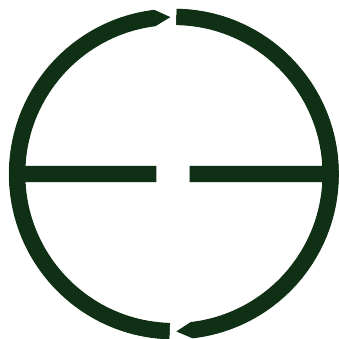
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California Should Build on Systems Already in Use by Reporters

- Nearly three-quarters of publicly traded companies already report Scope 1&2 emissions.
- 97% of S&P 500 companies already utilize the Greenhouse Gas (GHG) Protocol's Accounting Standards.
- Information serves a variety of purposes: Guides internal sustainability efforts, customer-relations, investor-relations.
- CARB should leverage this existing infrastructure.



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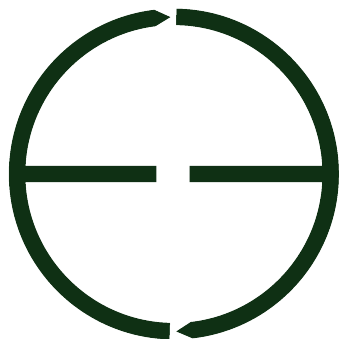
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Harmonization with the GHG Protocol and Global Reporting Frameworks is Critical

- Companies operating nationally and globally increasingly face overlapping climate-disclosure requirements.
- Accepting equivalent disclosures prepared under the frameworks and the GHGP will ensure companies report consistent information to different stakeholders and will aid in comparability over time.
- Avoid California-only requirements. Don't make mandatory what is optional under the GHGP. We should not reinvent the wheel.



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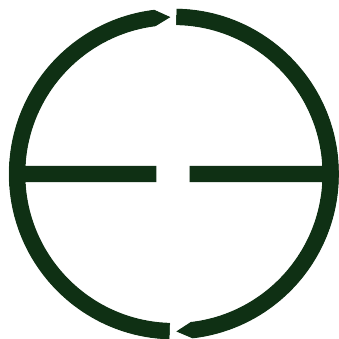
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Scope 3 is Fundamentally Different Than Scope 1&2

- Scope 3 reporting requires reporting entities to collect information from thousands of suppliers, vendors and customers in its value chain.
- Scope 3 is an inherently iterative process that improves over time as data improves. “Companies should strive for completeness, but...achieving 100% completeness may not be feasible.”
- The GHGP allows significant flexibility in Scope 3 calculations that should be preserved. Examples: De minimis determinations/exclusions, estimation methods, etc.



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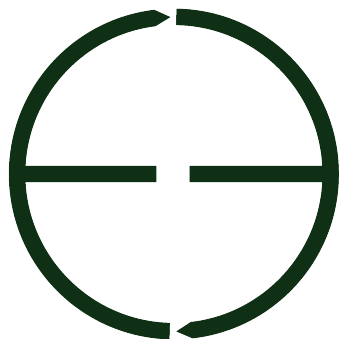
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Data Gathering, Verification and Assurance Takes Time

- Reporters typically take ~six to nine months from end of FY to publish reports due to trailing data, internal controls and assurance process.
- Complicated situations such as mergers and acquisitions can delay reporting. CARB should provide flexibility for these situations.
- Providing adequate time from close of FY will improve accuracy of reports.



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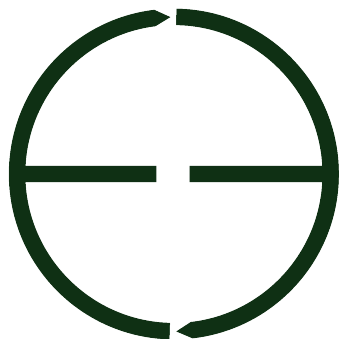
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Climate Disclosure is a Complex and Labor-Intensive Process

- Experienced reporters already dedicate significant resources to climate disclosures.
- Expect sizeable learning curve for new reporters, including those compiling Scope 3 inventories for the first time.
- The more seamless California's reporting process is, the more constructive engagement and accurate reporting CARB will receive.



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Thank you!

CARB BOARD MEETING | OCTOBER 22, 2026

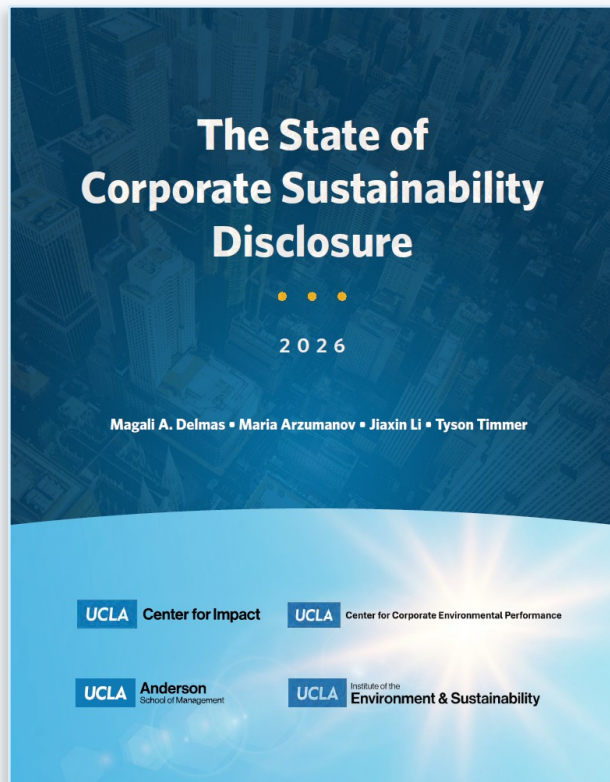
The State of Corporate Sustainability Disclosure

Global trends, the limits of voluntary disclosure, and evidence from the S&P 500

Magali Delmas

UCLA Anderson School of Management
UCLA Institute of the Environment & Sustainability





Our premise is simple: what gets measured gets managed. If we want companies to actually decarbonize, investors, regulators, and the public need transparent, comparable data to hold them accountable.

Why we analyze S&P 500 public disclosures

Outsized footprint

A large share of U.S. emissions

Standard setters

What leaders report becomes the norm

Public record

Sustainability reports and proxy filings, verified twice

SB 253 baseline

Most will be in scope; this is where they start

~540 firms | 2020 to 2024 | 6 dimensions | fourth annual report | ssrn.com, "The State of Corporate Sustainability Disclosure 2026"

What We Track



Climate

Scope 1, 2 and 3 emissions

Net zero targets

Transition plans

Risk

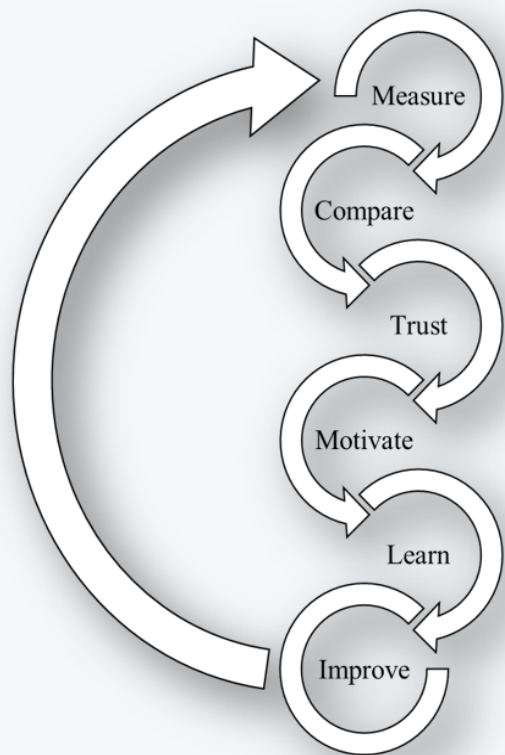
Physical climate risk

Third party assurance

Governance

Board environmental expertise

Pay tied to sustainability



Gather data to evaluate what the firm is currently doing and how it impacts the planet or society

Realize the gap compared to norm or best practices

Trust the data provided

Experience peer pressure

Learn from other practices implemented by competitors

Improve current practices

Disclosure turns measurement into comparison, trust and improvement.

Why Voluntary Disclosure Falls Short

68%

of U.S. executives admit their companies
are guilty of greenwashing (PwC)

1

Not comparable

Everyone reports differently: methods, definitions, scope

2

Fragile

Voluntary and sparse; reporting fell 7.3 points in 2024

3

Selective

Easy Scope 3 categories reported, material ones missed

4

Unverifiable

Unnamed assurers outnumber all named ones

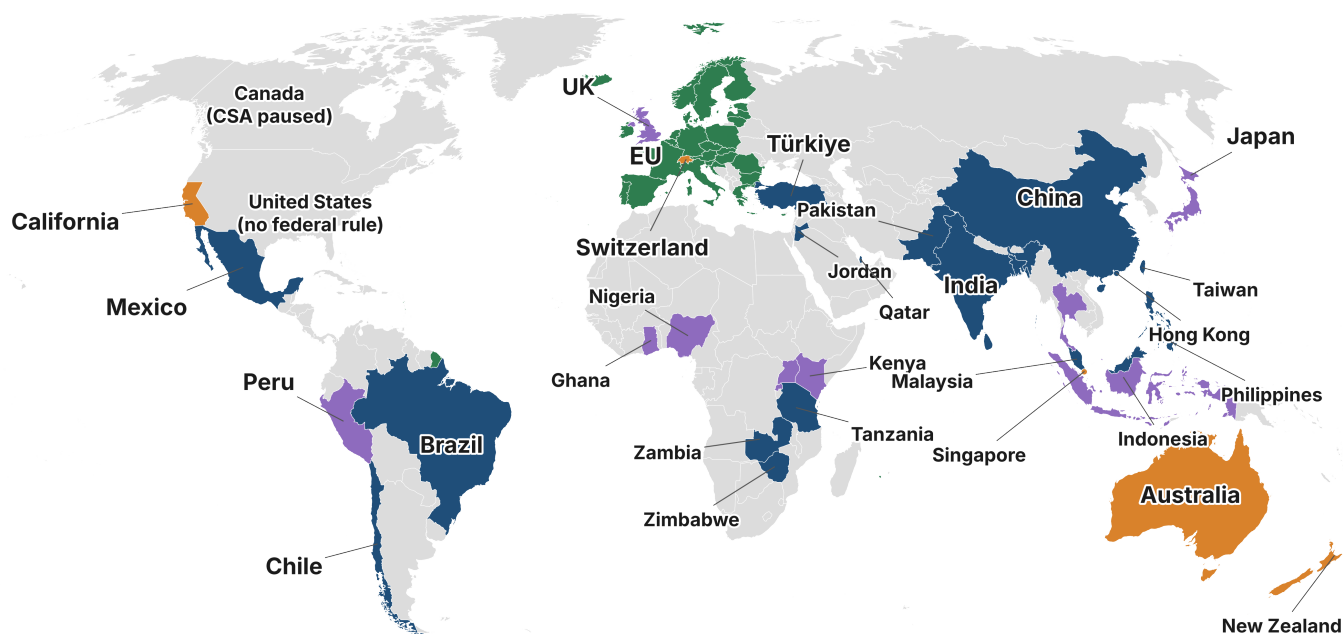
5

Aspirational

239 net zero targets, 13% with a plan

Without a common standard, disclosure cannot be compared or trusted.

The World Is Moving to Mandatory Disclosure.



Sustainability reporting in force
Climate plus other topics; first reports FY2024 to FY2026: Brazil, Mexico, Chile, Türkiye, China, Hong Kong, Taiwan, Malaysia, India, Pakistan, Bangladesh, Sri Lanka, Jordan, Qatar, Philippines, Tanzania, Zambia, Zimbabwe

Adopted, reporting from FY2027
United Kingdom, Japan, Peru, Nigeria, Uganda, Kenya, Ghana, Rwanda, Indonesia, Thailand

EU CSRD and ESRS
Double materiality with assurance; EU and EEA member states

Climate-only mandate
California (SB 253 and SB 261), Switzerland, Singapore, Australia, New Zealand

No mandatory regime
United States federal (SEC rule stayed), Canada (CSA paused), South Korea (roadmap, legislation pending)

Status as of October 2026, adopted or final rules only. Years are the first fiscal year covered by a mandatory report. Details for every jurisdiction are on the next two slides.

The Role of Mandated Disclosure

1 Comparable

One standard, one set of metrics

2 Complete

Material categories, not convenient ones

3 Credible

Named assurer, standard and scope

4 Durable

Not subject to the political cycle

5 Fair

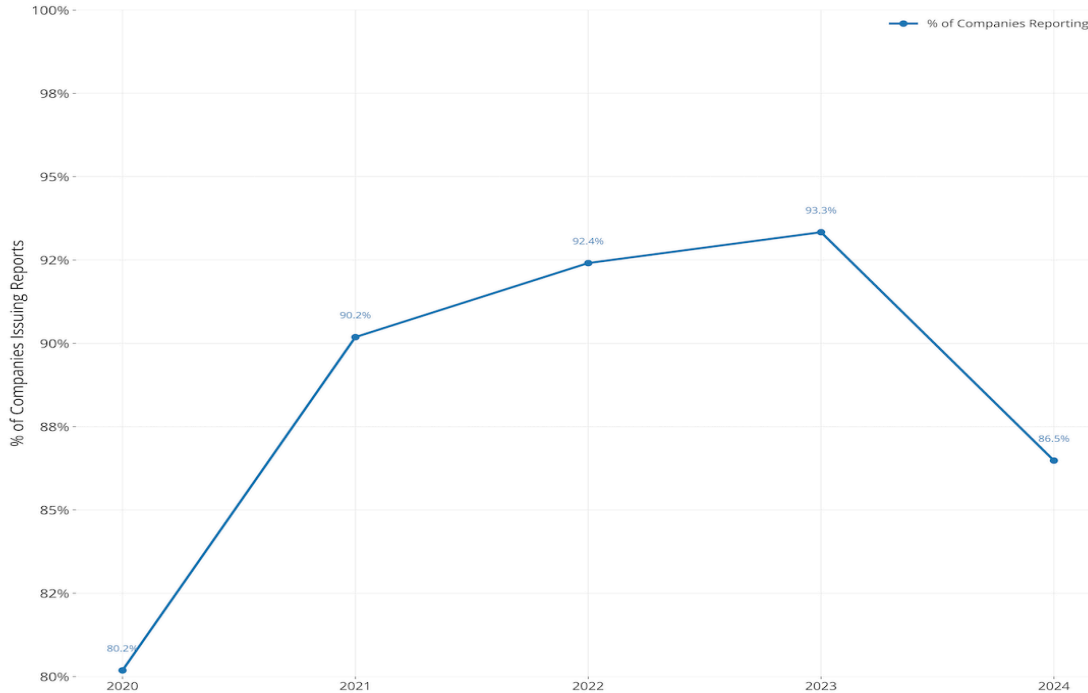
Leaders already do this; laggards catch up

6 Decision useful

Markets, suppliers and Regulators can act on it

A mandate sets the floor so that leadership is visible.

Finding 1: Reporting Fell for the First Time



Share of S&P 500 firms publishing a sustainability report. Axis runs from 80% to 100%.

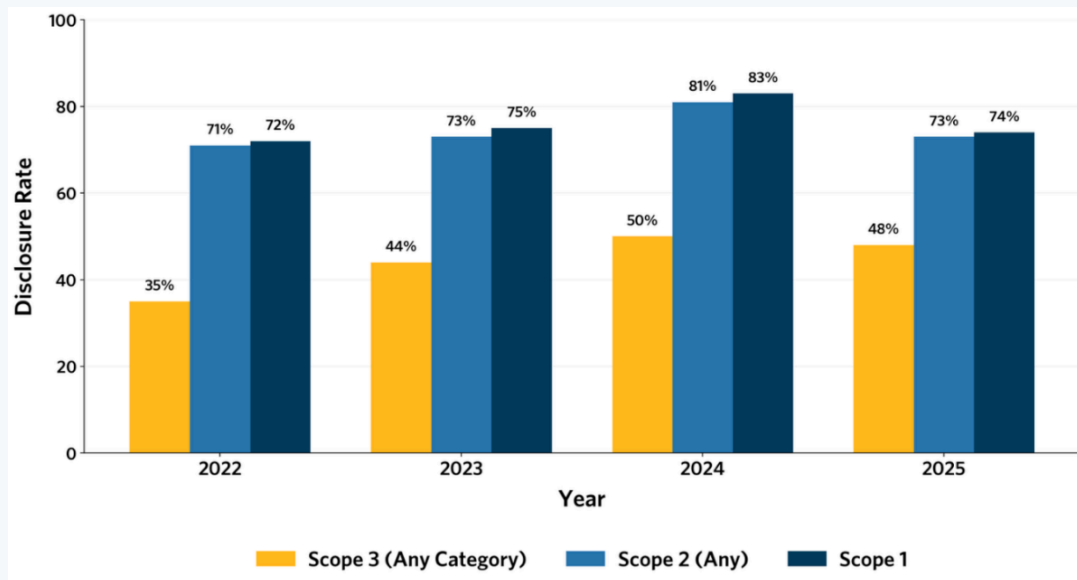
-7.3 pp
in 2024

Political headwinds

Greenhushing

Pause re-organizing their methodologies

2 Finding 2: Scope 1 and 2 Are Well Covered, Scope 3 Lags



Share of S&P 500 firms disclosing emissions, by scope

Scope 1 and 2 are already well covered, even if slipping. The gap for SB 253 is Scope 3.

74%

report Scope 1 (83% a year earlier)

73%

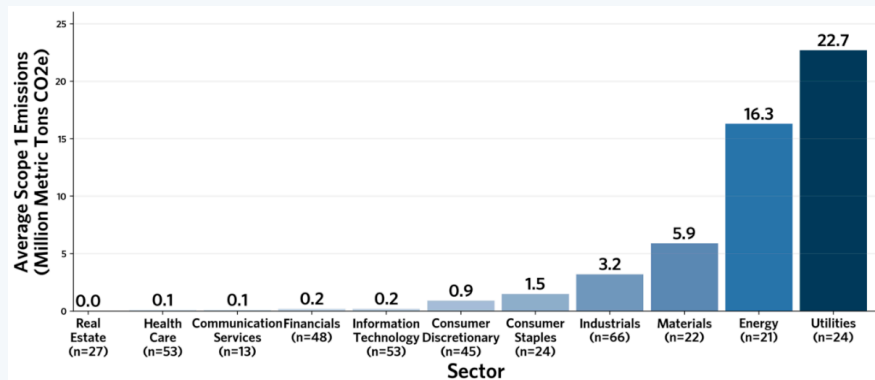
report Scope 2 (81% a year earlier)

48%

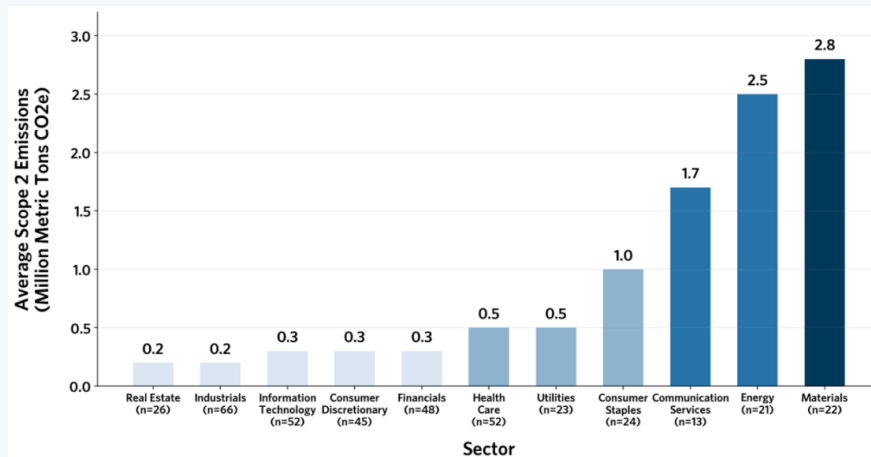
report any Scope 3 (50% a year earlier)

Finding 2, continued: Where Scope 1 and 2 Emissions Sit

Scope 1: concentrated in Utilities, Energy and Materials



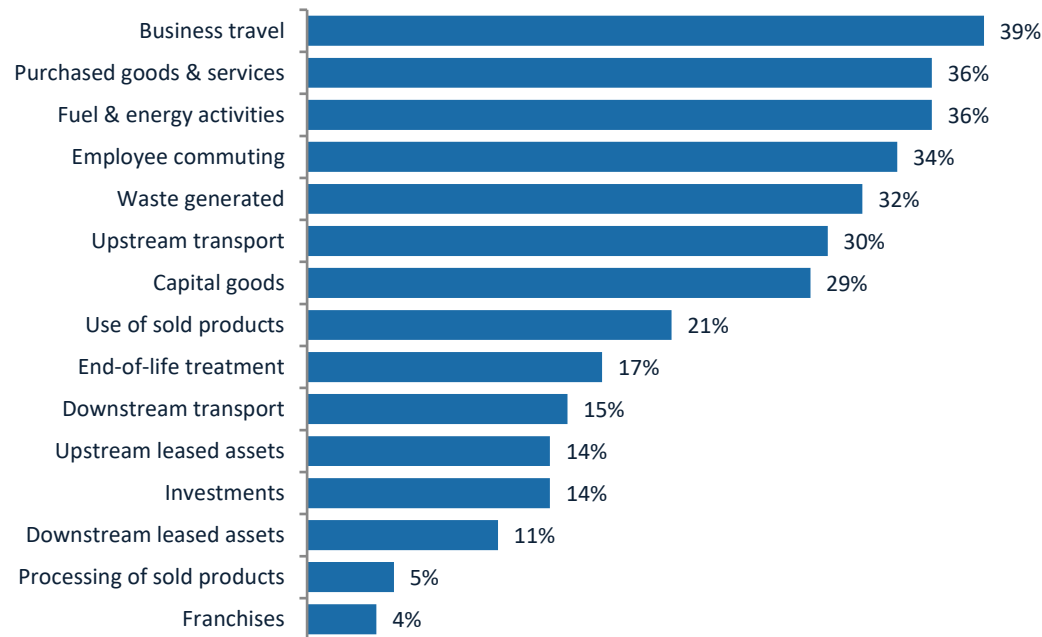
Scope 2: Communication Services now third



Average reported emissions, million metric tons CO2e, 2024

Data centers are pushing tech and telecom emissions into Scope 2, and into Scope 3.

Share of S&P 500 firms disclosing each Scope 3 category



39%

business travel — the most disclosed category, and one of the smallest

- ▶ **Purchased goods 36%:** the largest category for most firms sits second
- ▶ **Use of sold products 21%,** processing 5%: the downstream footprint goes unreported
- ▶ **Path of least resistance:** travel and commuting data already exist; supplier data do not
- ▶ **Health Care: 46% report business travel, 40% purchased goods,** which are 50 to 70% of the sector's Scope 3 emissions

Finding 4: Targets Doubled, Plans Did Not

Firms with a net zero target

119

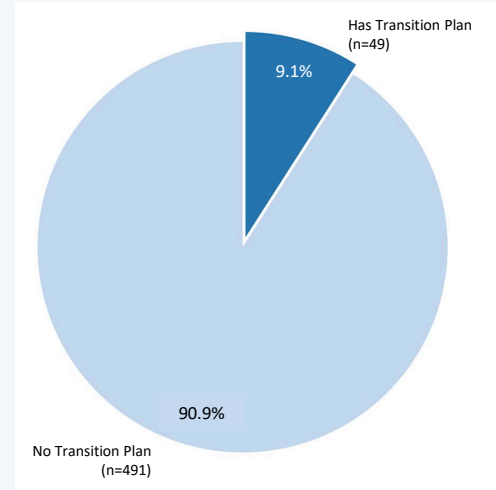
2020



239

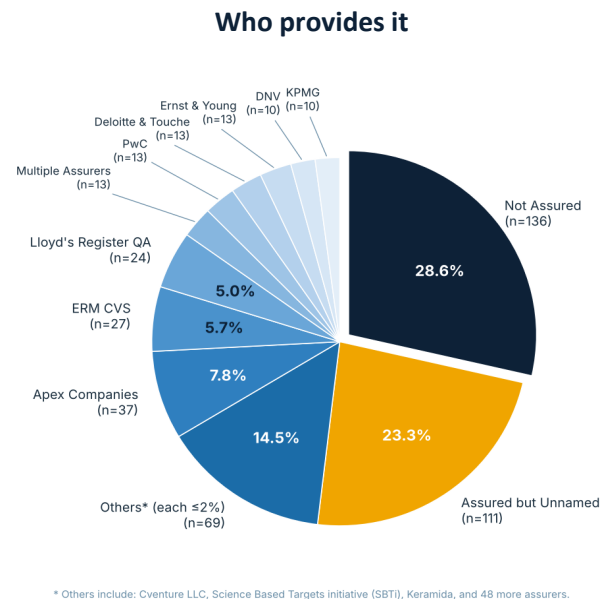
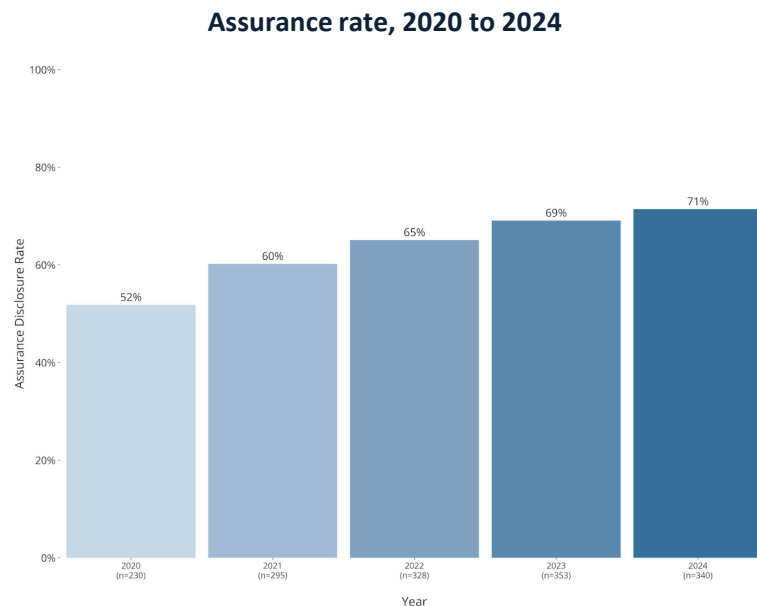
2024

Firms with a formal transition plan, 2024



Only 13% have a plan

5 Finding 5: Assurance Is Rising, But Who Is Checking?



Over half of firms: no assurance, or an assurer they do not name.

6 Finding 6: Oversight Is Universal, Expertise Is Thin

98%

have board oversight of climate

1 in 3

tie executive pay to sustainability

>40%

of boards have no environmental
expertise

Where expertise exists, it sits with one to three directors out of eight to sixteen.

Key Takeaways



Disclosure is broader than ever

3 in 4 firms report Scope 1 and 2 | net zero targets doubled | 72% claim assurance | 98% have board oversight

But the quality is not there

1. Scope 3 is incomplete and skewed to the easy categories
2. Only 13% of firms with a target have a transition plan
3. Most assurance cannot be independently evaluated
4. Board expertise falls short of real oversight

Broader is not better. Standardized, mandatory disclosure is what delivers quality.