March 21, 2025

The Honorable Steven S. Cliff, Ph.D.

Executive Officer

California Air Resources Board

1001 I Street, Sacramento, CA 95814

Submitted Via Online Portal: <https://ww2.arb.ca.gov/public-comments/public-comments-californiaclimate-disclosure-information-solicitation>

Re: Comments of Holcim US In Response to “Information Solicitation to Inform Implementation of California Climate-Disclosure Legislation: Senate Bills 253 and 261, as amended by SB 219”

Dear Dr. Cliff,

Thank you for the opportunity to provide information to inform CARB’s implementation of California Climate-Disclosure Legislation: Senate Bills 253 and 261, as amended by SB 219.

In the United States, Holcim includes nearly 350 sites in 43 states and employs approximately 7,000 people. Our customers rely on us to help them design and build better communities with innovative solutions that deliver structural integrity.

We appreciate that several of your questions focus on ensuring that reporting requirements can be carried out efficiently and accurately across multiple jurisdictions and frameworks. We work hard to ensure that our reporting is right; we also want to work smart and ensure that we avoid devoting significant resources to producing information that is duplicative or is of little analytical value.

We appreciate the significant effort that went into the formation of the California Chamber of Commerce response to this RFI, and would like to note that it largely reflects Holcim’s views of the issues raised in the RFI. We have particularly strong alignment on the question of expanded scope; Scope 3 emissions are of special concern. We do not recommend that CARB impose additional state-specific standardization on Scope 1, 2, or 3 emissions reporting beyond what is already required by the GHG Protocol. SB 253 is unambiguous: reporting entities must report

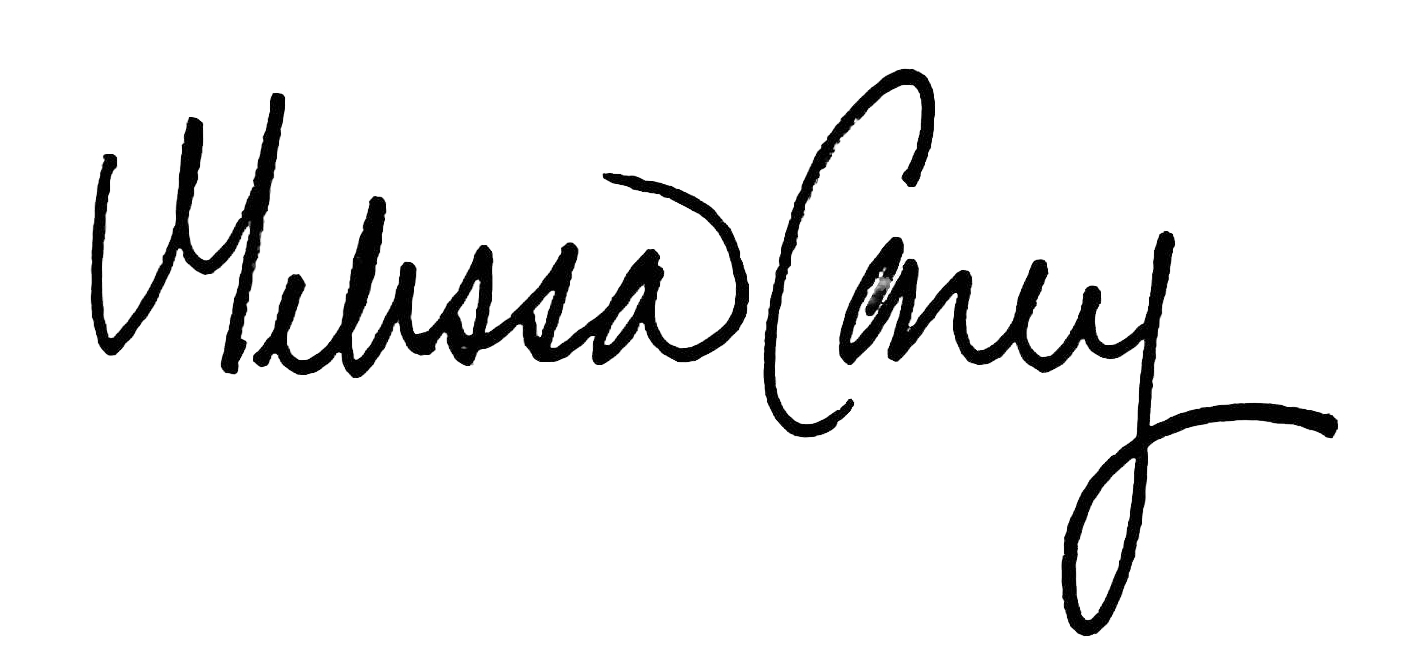
their emissions “in conformance with” the GHG Protocol and Scope 3 guidance. Modifications to the framework and timeline built into existing law would almost certainly increase compliance costs and complexity, especially for companies that operate globally and currently use the GHG Protocol as-is for their reporting. They would have to maintain two sets of accounting records: one for California and one for everyone else, which is exactly the outcome to avoid.

We also want to highlight the importance of aligning the definitions of assurance levels with established international auditing standards to ensure clarity and consistency. To minimize duplication of efforts and the development of a California standard that deviates from global standards, CARB should avoid using the definition of “reasonable assurance” in MRR and should instead rely on the terminology and frameworks outlined by assurance providers under the American Institute of Certified Public Accountants (AICPA) assurance standards or the International Standards on Assurance Engagements (ISAE). Additionally, CARB should consider the adoption of the International Standard on Sustainability Assurance (ISSA) 5000, or similar standard, which aims to provide specific guidance tailored to assurance engagements for sustainability-related disclosures.

Aligning with globally recognized standards ensures consistency with the practices of professional assurance providers, avoids unnecessary duplications, and facilitates integration into entities existing assurance processes. Crucially, we urge CARB to not require “reasonable assurance” for GHG emissions reporting until it is clearly feasible, including for Scope 3. Reasonable assurance for GHGs, particularly for complex Scope 3 categories, is rare at this time due to data variability and the nascent state of methodologies. Therefore, CARB should plan for initial compliance to involve limited assurance (as the statutes outline phased assurance requirements). Imposing a requirement for reasonable assurance prematurely could overwhelm assurance providers and companies alike, increase costs unnecessarily, and might not yield commensurate benefits in data accuracy given the current data constraints.

Thank you once again for soliciting our feedback.

Sincerely,



Melissa Carey

Head of Climate, ESG Policy and Government Affairs

Holcim US