

California AB1305 Disclosure Form

Document Purpose

The purpose of this document is to aid in gathering information required to be disclosed by California's AB1305 Voluntary Carbon Market Disclosures beginning January 1, 2024.

Document Guidance

This document has multiple sections, as indicated by the color coded tabs. Below are summaries of what each tab contains and how to use them appropriately:

Tab Name	Description
Introduction & Instructions	Provides an overview of the document.
Part 1 - Offsets, GHGs, & SBTs	Use this tab to add information required to be disclosed regarding net zero and carbon neutral claims.
Part 2 - 3rd Party Verification	Use this tab to provide a copy of a verification statement(s) provided by a third-party regarding net zero or carbon neutral claims.

CA AB1305 Information

Overview of Legislation

California's AB1305 legislation requires organizations with operations in California that buy or sell voluntary carbon offsets, or make net zero and carbon neutrality claims, to disclose specific information about these offsets and sustainability commitments. This legislation aims to provide transparency around how companies offset their emissions and how they measure progress toward achieving their net zero and carbon neutrality claims.

The information in Sections A and B below **must be disclosed by January 1, 2024**.

A. Disclosure Requirements for Organizations Making Net Zero & Carbon Neutrality Claims

If a company claims...

- net zero emissions,
- claims to be, or have a product that is "carbon neutral"
- claims that the company or product does not add net GHG to the climate
- claims that the company or product has made significant reductions

...the company shall disclose on its website the following information:

1. All information documenting how, if at all, a "carbon neutral," "net zero emission," or other similar claim was determined to be accurate or actually accomplished, and how interim progress toward that goal is being measured. The above information may include:
 - disclosure of independent third-party verification of all of the entity's greenhouse gas emissions,
 - identification of the entity's science-based targets for its emissions reduction pathway,
 - disclosure of the relevant sector methodology and third-party verification used for the entity's science-based targets and emissions reduction pathway.
2. Whether there is independent third-party verification of the company data and claims listed.
3. This part of the legislation does not apply to entities that either do not operate within California, or that do not make claims within the state.

B. Disclosure Requirement for Organizations Buying Voluntary Carbon Offsets

If a company claims...

- the achievement of net zero emissions
- that it, a related entity, or a product is "carbon neutral"
- that it, a related entity, or a product does not add net carbon dioxide or greenhouse gases to the climate or has made significant reductions to its carbon dioxide or greenhouse gas emissions

...the company shall disclose on its website all of the following information pertaining to each project or program:

1. The name of the business entity selling the offset and the offset registry or program.
2. The project identification number, if applicable.
3. The project name as listed in the registry or program, if applicable.
4. The offset project type, including whether the offsets purchased were derived from a carbon removal, an avoided emission, or a combination of both, and site location.
5. The specific protocol used to estimate emissions reductions or removal benefits.
6. Whether there is independent third-party verification of company data and claims listed.
7. This part of the legislation does not apply to entities that do not operate within California or do not purchase or use voluntary carbon offsets sold within the state.

Part 1
 This tab provides information required to be disclosed regarding net zero and carbon-neutral claims. We have filled out the following sections to the best of our knowledge but would appreciate it if you could fill in the remaining areas.

1. Carbon offsets purchased and retired since 2019.

Offset Number	Reporting Attribution Year	Entity Selling Offset	Offset Project Information						Carbon Offset Information			
			Offset Registry/Program	Identification Number	Name	Developer(s)	VCO Type	Location	Methodology	Retirement Date (MM/DD/YYYY)	Credits Retired (mtCO ₂ e)	Vintage
1	2019	4AIR	Verra	Z372	Installation of high efficiency wood burning cookstov	C-Quest Capital	Carbon Avoidance	Malawi	VMR0006	2/5/2022	7829	2021
2	2019	4AIR	Verra	1408	Chyulu Hills REDD+ Project	Conservation International, Maasai Wilderness, Conservation Trust	Carbon Avoidance	Kenya	VM0009	2/5/2022	7830	2016
3	2021	4AIR	Verra	Z372	Installation of high efficiency wood burning cookstov	C-Quest Capital	Carbon Avoidance	Malawi	VMR0006	4/29/2023	1973	2021
4	2021	Agendi	Gold Standard	GS7671	Central and Western Uganda Safe Water Project	CO2balance UK Ltd	Carbon Avoidance	Uganda	GS TPDTEC v 1	12/14/2022	1644	2020
5	2022	Agendi	Gold Standard	GS7671	Central and Western Uganda Safe Water Project	CO2balance UK Ltd	Carbon Avoidance	Uganda	GS TPDTEC v 1	6/29/2023	76	2020
6	2022	Agendi	Gold Standard	GS7671	Central and Western Uganda Safe Water Project	CO2balance UK Ltd	Carbon Avoidance	Uganda	GS TPDTEC v 1	6/29/2023	1236	2021
7	2022	Agendi	Gold Standard	GS5440	Improved Kitchen Regimes Multi-Country PoA - Dow	CO2balance UK Ltd	Carbon Avoidance	Malawi	GS TPDTEC v 1	6/29/2023	1,242	2016
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Agendi recommends applying 2022 as the first year of required disclosure

2. Please describe how your organization is measuring progress towards its net zero or carbon neutral goal(s). For the net zero and carbon neutral goal(s) your organization has achieved, please detail the ways your organization ensures it continues to meet these achievements.

In 2022, Arch Capital Group Ltd. (ACGL) first announced carbon reduction and net zero goals. We committed to reducing our absolute Scope 1 and Scope 2 GHG emissions by 42% by 2030 from a 2020 baseline. ACGL also committed to achieving net zero operations by 2030, in part supported by the purchase of carbon removal offsets for our remaining Scope 1 and Scope 2 emissions. Conducting annual greenhouse gas assessments, including assessing achieved emissions reductions, helps the company measure and report on progress toward these goals. Our decarbonization strategy includes the sourcing of renewable energy for our operations, and the procurement of energy efficiency programs for our offices and data centers.

ACGL has sourced carbon offsets since 2019. In our 2022 Sustainability Report (<https://www.archgroup.com/wp-content/uploads/Arch-Sustainability-Report-2022.pdf>), we state that we purchase carbon offset projects that undergo rigorous verification, auditing and certification from accredited organizations to offset our operational (Scope 1 and Scope 2) emissions. We further state that these certified offset projects help us to pursue carbon neutrality in our operations (Scope 1 and Scope 2), while supporting energy efficiency programs that, where available, benefit local communities in developing areas.

3. Information on greenhouse gas emissions.

3a. Has an independent third party verified your organization's greenhouse gas emissions? Please select "Yes" or "No" in the drop-down menu below.

No

3b. If you selected "Yes" above, please fill out the table below for all verified emissions data from the reporting year of the earliest net zero or carbon neutral claim to the present.

Emissions Reporting Year	GHG Scopes Covered by Verification	Name of Third-Party Verifier	Has the verifier's statement of verification been downloaded and saved?	Can a copy of the verification statement be publicly disclosed?

4. Information on science-based targets

4a. Has your organization set science-based emissions reduction targets? Please select "Yes" or "No" in the drop-down menu below.

No

4b. Has your organization's targets been validated by the Science Based Targets Initiative? Please select "Yes" or "No" in the drop-down menu below.

No

4c. If you selected "Yes" above, please fill out the table below to describe the science-based targets that were set.

SBT Type	Pathway	Target Year	Date Target Published/Updated	For Sector-specific SBTs		Name of Independent Third Party Verifying SBT	
				Did your organization use a sector-specific methodology for this SBT?	What sector methodology was used?		
Example	Near Term	1.5 Degrees C	2030	2019	Yes	Account & Footprint	SBTi

Organization Name: Arch Group
Form Completion Date: 12/18/2023

Part 2

This tab provides a space to declare verification statements regarding your organization's net zero and/or carbon neutrality claims made by independent third parties.

1. Has your organization verified your net zero and carbon neutrality claims with an independent third-party?

1a. Please select "Yes" or "No" in the drop-down menu below.

No

1b. If selected "Yes" above, please provide below the name of the independent third-party verifier, the date of verification, and the statement provided by the verifier confirming that they have audited any claims.

Verifier Name:

Verification Date: MM-DD-YYYY

Verification Statement: