Uber Technologies, Inc.
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Via Electronic Mail June 17, 2022

Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: The Enhancement and Standardization of Climate-Related Disclosures for Investors
Release No. 33-11042
File No. S7-10-22

Dear Secretary Countryman:

On behalf of Uber Technologies, Inc. ("Uber"), we appreciate the opportunity to submit this letter in response to the request for public comment on the Enhancement and Standardization of Climate-Related Disclosures for Investors proposed rule (the "Proposed Rule") of the U.S. Securities and Exchange Commission (the "Commission" or "SEC"). We previously submitted correspondence for the Commission's consideration in April 2021 in response to the Commission's request for public comment on whether the existing disclosure rules under the federal securities laws appropriately address climate change.[1] Uber again welcomes the opportunity to provide our views to the Commission because we believe that sustainability is integral to the success of our business and that addressing the climate change challenge is an important facet of our global sustainability efforts.

Uber is committed to reducing its own emissions and helping Uber platform users move toward a lower-carbon future. We have committed to being a zero-emission mobility platform by 2040, with 100% of Uber rides globally in zero-emission vehicles or through micromobility and public transit. We have also set a goal to have 100% of Uber rides in the U.S., Canada and Europe take place in zero emissions vehicles, micromobility offerings, or through public transit by 2030. In order to provide investors and stakeholders with transparency around our efforts, we have prepared and published various disclosure reports, including our ESG Report and our Climate Assessment and Performance Report.[2] In the context of our efforts to address climate change, and our voluntary disclosure of a wide range of information regarding the same, we

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[1] *See* Letter from Uber Technologies, Inc. (Apr. 27, 2021), *available at* https://www.sec.gov/comments/climate-disclosure/cll12-8731000-237041b.pdf.

[2] These reports can be found on our ESG site: https://www.uber.com/us/en/community/esg/.

welcome the opportunity to provide our perspective on the ways in which climate change disclosures can be both comprehensive and effective.

Uber is in favor of a standardized climate disclosure framework in the U.S., and we agree that board oversight and robust controls around climate risks and disclosures are important elements of any governance framework. A standardized disclosure framework will help create a sound baseline for public company disclosures and will be responsive to calls from investors for comparable climate information. Consistent with these goals, Uber already voluntarily discloses quantitative climate information in line with existing third-party reporting standards. We voluntarily disclose this supplemental information because we believe in transparency and committing to a lower carbon future. We aim to continually assess and improve the scope of our disclosure in a way that is in the best interest of our business and stakeholders. However, we anticipate that the Proposed Rule's overall prescriptiveness may inadvertently result in an undue focus by investors on climate disclosures that are less meaningful on a company-by-company basis. This result would negate the intended benefits of standardized disclosures. Although Uber supports a standardized disclosure framework in the U.S., an advantage of the current, and voluntary, disclosure framework is that it allows companies to present climate information in a manner and level of detail that is calibrated toward company-specific investors and stakeholders. For example, a scenario analysis can be a helpful tool when a company is considering its overall climate strategy, but required disclosure of granular information underlying the scenario analysis would not be relevant to an investment decision in many companies. We believe that a standardized framework that provides for reasonable flexibility, rooted in the Commission's and courts' longstanding understanding of financial materiality,[3] would provide comparable, high-quality and relevant climate disclosures for investors and other stakeholders.

Uber believes that a standardized climate disclosure framework should preserve the ability of public companies to disclose climate information that is the most relevant to their businesses, based on managements' reasonable assessments of materiality. A focus on materiality is critical, especially with regard to the disclosure of Scope 3 emissions. Uber believes that a materiality standard should apply to all Scope 3 emissions disclosures, regardless of whether a company has set a greenhouse gas ("GHG") emissions reduction target or goal that includes Scope 3 emissions. In addition, with respect to the 1% disclosure threshold for the Proposed Rule's climate-related financial metrics, we believe that a disclosure threshold based on materiality would better align with existing financial reporting principles.

Additionally, Uber believes that the Scope 3 emissions disclosure requirement should in all cases be limited to the Scope 3 emissions categories that are themselves material for a particular company, irrespective of whether a company has set targets or goals in relation to Scope 3 emissions in their totality. Such an approach would yield quantitative disclosure of the most significant categories of Scope 3 emissions. Sourcing Scope 3 emissions data from third parties and private entities and transforming that data into public company disclosures will involve considerable time and expense, which we believe is best focused on the material categories of Scope 3 emissions. This approach would also provide investors with a clear view of the categories of Scope 3 emissions that are most relevant to a company's reduction targets or goals and would be consistent with the criteria set forth under the Science Based Targets initiative framework for the disclosure of emissions data. Absent a materiality qualifier, certain categories of inconsequential Scope 3 emissions will need to be sourced, vetted and then

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[3] *See TSC Industries, Inc. v. Northway, Inc.*, 426 U.S. 438, 449 (1976); *Basic Inc. v. Levinson*, 485 U.S. 224, 231-32 (1988).

disclosed in the same manner as more meaningful categories. We believe that collecting and aggregating immaterial categories of Scope 3 emissions will not yield decision-useful information for investors and that increased flexibility in reporting Scope 3 emissions data will be critical to improving the quality of Scope 3 disclosures, particularly in light of the inherent assumptions and estimations that factor into the calculation of this metric. An undue focus on immaterial categories of emissions will divert resources that can be better utilized in sourcing core Scope 3 emissions data and may obscure the most material emissions categories.

Notwithstanding Uber's support for adoption of standardized climate disclosures, we are cognizant of the challenges that will arise when transitioning from a voluntary to a mandatory disclosure framework in the U.S. Uber has concerns regarding the implementation timeline for the Proposed Rule and believes that an extended transition period will ultimately serve to improve the quality and efficacy of the resulting climate change disclosures. Uber agrees that a phase-in period for the Proposed Rule's disclosure and assurance requirements is appropriate, however, we believe that a longer period is necessary to accommodate the transition from a voluntary to a mandatory disclosure framework. The Proposed Rule anticipates that climate-related disclosures will need to be made for large accelerated filers beginning with fiscal year 2023 (and 2024, for Scope 3 GHG emissions metrics). We expect that public companies will expend a substantial amount of time and effort to ensure that existing disclosure controls and procedures are properly aligned to present the climate information required by the Proposed Rule (if adopted as proposed). However, these efforts would need to be completed between the issuance of a final rule and the beginning of fiscal year 2023. Given that the Commission anticipates that a final rule will become effective in the fourth quarter of 2022, public companies will have very little time to ensure that their disclosure processes and financial systems are reasonably designed to address the new and finalized rule requirements. It is possible that the quality of fiscal year 2023 climate disclosures and quantitative climate information may ultimately suffer based on such an accelerated timeline.

Integrating climate-financial information and GHG emissions disclosures into audited financial statements and Commission filings will present additional timing and resource challenges. Many of the climate-related financial statement items contemplated by the Proposed Rule will be difficult to quantify or estimate, and calculating these figures, including quantified financial impacts on individual line items in the financial statements, will require a significant transition period. Public companies will need to develop various disclosure methodologies, implement appropriate controls and procedures and allow for sufficient review by the company's independent registered accounting firm. In particular, we expect that it will be challenging to stand up internal systems with the ability to determine precise financial impacts on individual line items. These systems must be sensitive enough to adequately synthesize variable costs and inputs over multiple reporting periods with sufficient specificity to permit the assessment and aggregate reporting of a prescriptive 1%, absolute value threshold. We expect it will be burdensome and potentially impracticable to calculate the inputs necessary to determine whether the 1% disclosure threshold under the Proposed Rule has been met. A longer phase-in period is necessary to provide public companies with adequate time to prepare for climate-financial statement disclosures that are U.S. GAAP, SEC and PCAOB compliant. We anticipate that the requirement to file an attestation report covering the disclosure of Scope 1 and Scope 2 (and potentially Scope 3) emissions will similarly present challenges as companies build internal reporting frameworks to provide data in such a way as to meet the attestation provider's requirements. If the quality of data suffers as a result of an overly short transition period, there may be a loss of confidence in the standardized framework and the disclosures being made thereunder. The Proposed Rule also would require climate disclosures to be filed with the Commission and therefore become subject to liabilities under the securities laws and

become subject to Rule 13a-14, Rule 15d-14 and Section 1350 certifications. A longer transition period is necessary to ensure that companies have adequate time to prepare their disclosures to meet these high standards.

Uber believes that a standardized climate disclosure framework should promote the disclosure of the highest quality data. However, the Proposed Rule's requirement that climate data be disclosed on a timeline designed for existing Form 10-K disclosures may cause data quality to suffer, as many public companies currently present climate data disclosures in or in conjunction with their annual meeting proxy statements. Collecting climate-related data and integrating that data into disclosures on Form 10-K will add additional complexity to an already complicated fiscal year-end process. The timeframe for collecting and validating fourth quarter and fiscal year-end GHG emissions data will be especially challenging. Seasonality means that, for many public companies, the fourth quarter will generate the largest amount of GHG emissions data to be analyzed and reported. If this is the case, public companies may be less comfortable estimating fourth quarter GHG inputs, particularly since companies often rely on third parties as the source of this data. Additionally, the 60-day Form 10-K deadline for large accelerated filers means that GHG emissions data will need to be prepared, reviewed and finalized in tandem with the preparation of the company's audited financial statements and other existing fiscal year end processes. Boards and company management already spend significant amounts of time overseeing the year-end processes, and integrating new GHG emissions disclosures into this process and the financial reporting calendar will present logistical challenges. We believe that extending the deadline for reporting GHG emissions ultimately will improve the quality and efficacy of resulting climate change disclosures.

Uber thanks the Commission for the opportunity to provide these comments as we seek to reduce our own emissions and help Uber platform users move toward a lower-carbon future. Uber respectfully requests that the Commission take our comments and recommendations into account while contemplating a final rule on climate change disclosures. We further welcome the opportunity to discuss our comments and recommendations with the Commission or the Commission staff. Thank you for your consideration.

Respectfully,

Tammy Albarrán
Chief Deputy General Counsel
and Deputy Corporate Secretary
Uber Technologies, Inc.