HP Inc.
1501 Page Mill Road
Palo Alto, California 94304
United States of America
hp.com

VIA EMAIL: rule-comments@sec.gov

June 14, 2021

The Honorable Gary Gensler
Chair
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Request for Public Input on Climate Change Disclosures

Dear Chair Gensler,

HP Inc. (the "Company" or "HP") appreciates this opportunity to provide comments to the U.S. Securities and Exchange Commission (the "Commission") in response to the Commission's March 15, 2021 request for public input on the appropriate scope and nature of climate change disclosures required by the Commission.

Climate change is one of the most urgent and broadly shared challenges of our time, and HP supports the Commission's efforts to develop climate change disclosure requirements as part of its integrated disclosure system.

Robust and transparent climate change disclosure is a vital component of ensuring transparency in financial markets. HP has been producing a public sustainability report for 20 years and was the first global IT company to publish its full carbon footprint and set carbon emissions reduction goals for its full value chain. Today, our Scope 1, 2, and 3 emissions are externally assured, and starting in 2020 we have aligned our reporting with the recommendations of the Taskforce on Climate-Related Financial Disclosures. HP discloses its greenhouse gas ("GHG") emissions footprint, GHG reductions targets, progress towards achieving those targets, and other environmental, social, and governance ("ESG") metrics. HP has committed to meaningful reductions in GHG emissions from both its direct operations and its supply chain,[1] and has taken actions to protect its business and operations from the increasingly apparent threats presented by climate change. As corporate ESG

[1] HP has announced a goal to reduce Scope 1, 2 and 3 GHG emissions by 50% below 2019 levels by 2030 and reach net zero GHG emissions by 2040. More information about HP's climate targets is available at https://press.hp.com/us/en/press-releases/2021/hp-inc-announces-ambitious-climate-action-goals.html.

disclosures continue to expand, it is important to have frameworks in place to create transparency, comparability, and consistency for these actions.

HP supports greater transparency and standardization with respect to the disclosure of GHG emissions, GHG reduction targets, climate change risks, and risk mitigation strategies and opportunities. More standardized climate disclosure policies and guidance will encourage more consistent, comparable, and reliable information that helps investors make confident and informed decisions.

Specifically, HP recommends:

- **Standards.** The Commission should leverage existing disclosures and standards. The Task Force on Climate-Related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board (SASB) provide robust, proven, and widely accepted foundations for climate and ESG reporting. HP recommends that the Commission align new requirements with these frameworks. TCFD was expressly designed to improve and increase reporting of climate-related risks and opportunities, provide investors with meaningful and comparable information, and do so within existing corporate governance and reporting frameworks. Accordingly, it has wide support from both the public and private sectors, and many companies (including HP) are increasingly reporting voluntarily pursuant to the TCFD framework.

- **Harmonization.** Disclosure standards established by the Commission should harmonize with standards set by other regulators. To the extent feasible, the Commission should seek alignment with other international disclosure standards and frameworks. Such alignment will enable comparability across jurisdictions, facilitate the disclosure process, and help to avoid a patchwork of reporting practices.

- **Metrics.** The Commission should mandate externally assured disclosure and reporting on all three scopes of GHG emissions (i.e., Scopes 1, 2, and 3) and emissions reduction targets in line with climate science, in order to reflect the full scope of a company's climate impacts and commitments. Disclosure should be required for domestic and international operations, given the global nature of GHG emissions and climate change impacts. GHG emissions and reduction target reporting should be rigorous, based on science and best practices. At present, disclosure of such metrics is not required or standardized, creating a knowledge gap for investors and the potential for misleading or disparate reporting across industries and individual companies. The Commission should offer or reference clear guidance with respect to calculating emissions and setting science-based GHG reduction objectives, in line with standards developed by the Greenhouse Gas Protocol. This is especially important with respect to Scope 3 emissions, which are inherently subject to different interpretations and calculation.

- **Time horizon.** Current, short term risk disclosure is inadequate to fully inform investors of the full scale of risks associated with climate change, especially given the expected expansion of climate-related risks over time. The Commission should establish clear parameters and time horizons for reporting on current risks, near-term risks, and longerterm risks. These disclosure standards should focus on risks that are material or expected to become material within the relevant time horizons.

- Consideration of risks. Reporting should incorporate an assessment of the degree and magnitude of a company's risk in the context of physical, transition, and regulatory risks, and identify company actions and strategies to mitigate or manage those risks.

- Consideration of opportunities. The transition to a low-carbon economy presents many companies with opportunities in innovation, transformation, and market entry. The Commission should employ a framework that facilitates reporting of opportunities, which will enable investors and regulators to achieve a fuller understanding of the totality of a company's vulnerability to climate risks and which companies are better positioned to manage or even capitalize on such risks.

- Industry specific requirements. The Commission should consider adding industry-specific guidance that expands on the basic risk analysis and reporting to help focus effort and attention on those risks most salient to each industry. This will help to ensure that core climate risks and opportunities for each industry are adequately captured and discussed.

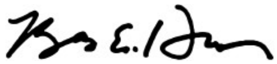
- Engagement. A stakeholder engagement process that regularly convenes both investors and companies and is segmented by industry will bring expertise and practical examples to a complex risk assessment process. Industry working groups, through which stakeholders can provide ongoing feedback to the Commission on the challenges and usefulness of disclosure recommendations and help to identify and share best practices, will enable the Commission to more effectively maintain and update its requirements over time.

- Implementation plan. The Commission should develop clear requirements regarding the format and timing for reporting and provide adequate time for companies to come into compliance. Disclosure requirements should be phased in over time, prioritizing the most vital metrics, requirements, and industries.

- ESG reporting. HP is committed to transparency and supports increased and standardized ESG reporting. We support climate as the first "pilot" initiative in this area; with success and learnings, we suggest that the Commission would then expand its scope into broader ESG topics.

We thank the Commission for the opportunity to submit comments for its consideration, and we welcome the opportunity to be a part of this important conversation.

Sincerely,



Rick E. Hansen
Deputy General Counsel and Assistant Secretary