UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A

(Amendment No. 1)

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ________ to ________

Commission file number 001-40216

Aurora Innovation, Inc.

(Exact name of registrant as specified in its charter)

Delaware	98-1562265
State or other jurisdiction of incorporation or organization	(I.R.S. Employer Identification No.)
1654 Smallman St., Pittsburgh, Pennsylvania	15222
(Address of principal executive offices)	(Zip Code)

(888) 583-9506
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value $0.00001 per share	AUR	The Nasdaq Stock Market LLC
Redeemable warrants, each whole warrant exercisable for one share of Class A common stock at an exercise price of $11.50	AUROW	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes☐ No ☒

As of June 30, 2023, the last day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was approximately $1,228,710,507.

The registrant had outstanding 1,185,656,272 shares of Class A common stock and366,869,709 shares of Class B common stock as of May 14, 2024.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Annual Report on Form 10-K/A incorporates by reference information from certain portions of the Registrant’s definitive proxy statement filed with the U.S. Securities and Exchange Commission on April 5, 2024.

EXPLANATORY NOTE

Aurora Innovation, Inc. (the "Company") filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2023 with the U.S. Securities and Exchange Commission ("SEC") on February 15, 2024 (the "Original Form 10-K"). This Amendment No. 1 on Form 10-K (this "Amendment" or "Form 10-K/A") is solely to amend the Report of Independent Registered Public Accounting Firm of PricewaterhouseCoopers LLP ("PwC") included in Part II, Item 8 of the Original Form 10-K (the "Original Report"). The Original Report, as filed, did not conform to the report provided by PwC ("Signed Report"). The Original Report inadvertently contained typographical errors and omitted the sentence "(ii) developing an independent expectation of payroll expense based on headcount and salary information and comparing to payroll expenses recorded by management, and evaluating the classification of payroll expense to research and development costs" from the end of the Critical Audit Matters section included in the Signed Report. This Amendment does not alter in any way PwC's opinion on the Company's consolidated financial statements and internal control over financial reporting.

As required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), because the Original Report was included within Item 8 of the Original Form 10-K, this Form 10-K/A sets for the complete text of Item 8; however, except for the corrections made to the Original Report noted above, no revisions or modifications have been made to the financial statements or any other information contained within Item 8 or Item 9A of the Original Form 10-K. In addition, the information contained in this Amendment does not reflect events occurring after the Original Form 10-K. This Amendment should be read in conjunction with the Company's other filings with the SEC, including the Original Form 10-K.

Additionally, in accordance with Rule 12b-15, the Company is including with this Amendment currently dated certifications from its Chief Executive Officer and Chief Financial Officer. These certifications are filed or furnished, as applicable, as Exhibits 31.1, 31.2, 32.1 and 32.2. This Amendment consists solely of the preceding cover page, this explanatory note, Item 8, Item 9A, the list of exhibits filed with this Amendment, the signature page and the certifications.

TABLE OF CONTENTS

PART II

Item 8. Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Aurora Innovation, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheet of Aurora Innovation, Inc. and its subsidiaries (the "Company") as of December 31, 2023, and the related consolidated statements of operations, of comprehensive loss, of stockholders' equity and of cash flows for the year then ended, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audit of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Research and Development Costs

As described in Note 2 to the consolidated financial statements, research and development costs are expensed as incurred, and consist primarily of personnel costs, hardware and electrical engineering prototyping, cloud computing, data labeling, and third-party development services. The Company's research and development expense for the year ended December 31, 2023 was $716 million.

The principal consideration for our determination that performing procedures relating to research and development costs is a critical audit matter is a high degree of auditor effort in performing procedures related to the Company's research and development costs.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to research and development costs. These procedures also included, among others, (i) testing the accuracy and completeness of research and development costs on a sample basis, which included tracing relevant information to the underlying contract, purchase orders, invoices received, and information received from certain third-party service providers, where applicable, and (ii) developing an independent expectation of payroll expense based on headcount and salary information and comparing to payroll expenses recorded by management, and evaluating the classification of payroll expense to research and development costs.

/s/ PricewaterhouseCoopers LLP

Pittsburgh, Pennsylvania

February 14, 2024

We have served as the Company's auditor since 2023.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Aurora Innovation, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Aurora Innovation, Inc. and subsidiaries (the Company) as of December 31, 2022, the related consolidated statements of operations, comprehensive loss, stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We served as the Company's auditor from 2018 to 2023.

Santa Clara, California
February 21, 2023

Aurora Innovation, Inc.
Consolidated Balance Sheets
(in millions)

	December 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 501	$ 262
Short-term investments	699	839
Other current assets	17	17
Total current assets	1,217	1,118
Property and equipment, net	94	91
Operating lease right-of-use assets	122	138
Acquisition related intangible assets	617	618
Long-term investments	148	—
Other assets	37	36
Total assets	$ 2,235	$ 2,001
Liabilities and Stockholders' Equity		
Current liabilities:		
Operating lease liabilities, current	$ 15	$ 13
Other current liabilities	96	70
Total current liabilities	111	83
Operating lease liabilities, long-term	107	123
Derivative liabilities	24	4
Other liabilities	8	7
Total liabilities	250	217
Commitments and contingencies		
Stockholders' equity:		
Common stock - $0.00001 par value, 51,000 shares authorized, 1,529 and 1,166 shares issued and outstanding, respectively	—	—
Additional paid-in capital	5,594	4,600
Accumulated other comprehensive loss	1	(2)
Accumulated deficit	(3,610)	(2,814)
Total stockholders' equity	1,985	1,784
Total liabilities and stockholders' equity	$ 2,235	$ 2,001

See accompanying notes to the consolidated financial statements

Aurora Innovation, Inc.
Consolidated Statements of Operations
(in millions, except per share data)

	Twelve Months Ended December 31,		
	2023	2022	2021
Collaboration revenue	$ —	$ 68	$ 82
Operating expenses:			
Research and development	716	677	697
Selling, general and administrative	119	129	116
Goodwill impairment	—	1,114	—
Total operating expenses	835	1,920	813
Loss from operations	(835)	(1,852)	(731)
Other income (expense):			
Change in fair value of derivative liabilities	(20)	114	(20)
Other income (expense), net	59	15	(9)
Loss before income taxes	(796)	(1,723)	(760)
Income tax benefit	—	—	(5)
Net loss	$ (796)	$ (1,723)	$ (755)
Basic and diluted net loss per share	$ (0.60)	$ (1.51)	$ (1.22)
Basic and diluted weighted-average shares outstanding	1,327	1,143	621

See accompanying notes to the consolidated financial statements

Aurora Innovation, Inc.
Consolidated Statements of Comprehensive Loss
(in millions)

	Twelve Months Ended December 31,		
	2023	2022	2021
Net loss	$ (796)	$ (1,723)	$ (755)
Other comprehensive income (loss):			
Unrealized gain (loss) on investments	3	(2)	—
Other comprehensive income (loss)	3	(2)	—
Comprehensive loss	$ (793)	$ (1,725)	$ (755)

See accompanying notes to the consolidated financial statements

Aurora Innovation, Inc.
Consolidated Statements of Stockholders' Equity
(in millions, except per share data)

	Redeemable convertible preferred stock		Common stock		Additional paid-in capital	Accumulated other comprehensive loss	Accumulated deficit	Total stockholders' equity (deficit)
	Shares	Amount	Shares	Amount				
Balance as of December 31, 2020	290	$ 763	279	$ —	$ 59	$ —	$ (336)	$ (277)
Issuance of Series U-1 redeemable convertible preferred stock at $9.06 per share for acquisitions	110	1,000	—	—	—	—	—	—
Issuance of Series U-2 redeemable convertible preferred stock at $9.06 per share, net of issuance costs of $2	45	398	—	—	—	—	—	—
Equity issued for acquisitions	—	—	258	—	946	—	—	946
Conversion of redeemable convertible preferred stock into common stock with the Merger	(445)	(2,161)	445	—	2,161	—	—	2,161
Issuance of common stock upon the Merger, net of issuance costs	—	—	129	—	1,041	—	—	1,041
Equity issued under incentive compensation plans	—	—	12	—	4	—	—	4
Stock-based compensation	—	—	—	—	222	—	—	222
Comprehensive loss	—	—	—	—	—	—	(755)	(755)
Balance as of December 31, 2021	—	—	1,123	—	4,433	—	(1,091)	3,342
Equity issued under incentive compensation plans	—	—	43	—	11	—	—	11
Stock-based compensation	—	—	—	—	156	—	—	156
Comprehensive loss	—	—	—	—	—	(2)	(1,723)	(1,725)
Balance as of December 31, 2022	—	—	1,166	—	4,600	(2)	(2,814)	1,784
Equity issued under incentive compensation plans	—	—	57	—	6	—	—	6
Issuance of common stock in the Private Placement, net of issuance costs	—	—	222	—	584	—	—	584
Issuance of common stock in the Public Offering, net of issuance costs	—	—	84	—	244	—	—	244
Stock-based compensation	—	—	—	—	160	—	—	160
Comprehensive loss	—	—	—	—	—	3	(796)	(793)
Balance as of December 31, 2023	—	$ —	1,529	$ —	$ 5,594	$ 1	$ (3,610)	$ 1,985

See accompanying notes to the consolidated financial statements

Aurora Innovation, Inc.
Consolidated Statements of Cash Flows
(in millions)

	Twelve Months Ended December 31,		
	2023	2022	2021
Cash flows from operating activities			
Net loss	$ (796)	$ (1,723)	$ (755)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	21	22	16
Reduction in the carrying amount of right-of-use assets	27	28	25
Stock-based compensation	160	156	220
Goodwill impairment	—	1,114	—
Change in fair value of derivative liabilities	20	(114)	20
Non-cash severance	—	—	8
Change in deferred tax asset valuation allowance	—	—	(5)
Accretion of discount on investments	(28)	—	—
Other operating activities	—	(3)	12
Changes in operating assets and liabilities:			
Other current and non-current assets	1	47	(48)
Operating lease liabilities	(25)	(25)	(21)
Other current and non-current liabilities	22	(10)	(36)
Net cash used in operating activities	(598)	(508)	(564)
Cash flows from investing activities			
Purchases of property and equipment	(15)	(15)	(48)
Net cash acquired in acquisitions	—	—	294
Purchases of short-term investments	(1,297)	(1,610)	—
Maturities of short-term investments	1,320	773	—
Other investing activities	—	—	4
Net cash provided by (used in) investing activities	8	(852)	250
Cash flows from financing activities			
Proceeds from issuance of common stock	840	13	8
Proceeds from issuance of Series U-2 preferred stock, net	—	—	398
Proceeds from the Merger, net of transaction costs	—	—	1,134
Other financing activities	(9)	(2)	—
Net cash provided by financing activities	831	11	1,540
Net increase (decrease) in cash, cash equivalents, and restricted cash	241	(1,349)	1,226
Cash, cash equivalents, and restricted cash at beginning of the period	277	1,626	400
Cash, cash equivalents, and restricted cash at end of the period	$ 518	$ 277	$ 1,626

See accompanying notes to the consolidated financial statements

Aurora Innovation, Inc.
Notes to the Consolidated Financial Statements

Note 1. Overview of the Organization

Aurora Innovation, Inc. (the “Company” or “Aurora”) is headquartered in Pittsburgh, Pennsylvania and its mission is to deliver the benefits of self-driving technology safely, quickly, and broadly. The Company is developing the Aurora Driver, an advanced and scalable suite of self-driving hardware, software and data services designed as a platform to adapt and interoperate amongst vehicle types and applications.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of the Company and its controlled subsidiaries. Intercompany balances and transactions between the Company and its controlled subsidiaries have been eliminated.

The preparation of these consolidated financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

Collaboration Revenue

In January 2021, the Company entered into a collaboration framework agreement with Toyota Motor Corporation (“Toyota”) with the intention of deploying the Aurora Driver into a fleet of Toyota vehicles, subject to further agreement of a collaboration project plan that was signed in August 2021.

Collaboration revenue is recognized using the input measure of hours expended as a percentage of total estimated hours to complete the collaboration project plan. Differences between collaboration revenue recognized and payments collected under the agreement are recognized as a contract asset or contract liability at the end of each reporting period.

Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents are deposits and highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of change include due to interest rate, quoted price, or penalty of withdrawal. U.S. Treasury securities with a maturity, when purchased, of 90 days or less are considered to be cash equivalents.

Restricted cash consists of funds that are contractually restricted as to usage or withdrawal, typically due to the Company’s operating lease agreements. Due to these restrictions, the Company has presented restricted cash separately from cash and cash equivalents on the balance sheet.

Short-term and Long-term Investments

The Company’s short-term and long-term investments in U.S. Treasury securities and corporate bonds have been classified and accounted for as available-for-sale. The Company measures short-term investments at fair value on a recurring basis based on quoted market prices, and unrealized gains and losses, net of taxes, are included in other comprehensive loss. Upon sale, realized gains and losses are recognized in other income (expense), net on the statements of operations. No impairment losses have been recognized on short-term investments in the periods presented.

The Company’s short-term investments in securities with a maturity, when purchased, of 90 days or less are considered highly liquid investments and are reported as cash equivalents.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, management uses a fair value hierarchy, which prioritizes the inputs used to measure fair value. The three levels of the fair value hierarchy are set forth below:

Level 1: Observable inputs such as quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active or inputs other than the quoted prices that are observable either directly or indirectly for the full term of the assets or liabilities.

Level 3: Unobservable inputs in which there is little or no market data and that are significant to the fair value of the assets or liabilities.

Our primary financial instruments include cash, cash equivalents, restricted cash, short-term investments, accounts payable, accrued liabilities, and derivative liabilities. For the financial instruments not measured at fair value on a recurring basis, their estimated fair value approximates their carrying value due to the short-term maturities of these instruments.

Property and Equipment, Net

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives, which istwenty years for buildings; the shorter of the lease term and the estimated useful life (up to seven years) for leasehold improvements; and overthree to five years for all other asset categories.

Leases

The Company determines whether a contract contains a lease at inception. The Company leases real estate and equipment which have been recognized as operating leases, except for those leases with a lease term of 12 months or less which are recognized as short-term leases and expensed on a straight-line basis.

Variable lease payments that do not depend on an index or rate are not included in the initial measurement of operating lease liabilities. Certain lease contracts include non-lease components, such as operations and maintenance. The Company combines and accounts for lease and these non-lease components as a single lease component. Certain real estate leases include one or more options to renew; the exercise of lease renewal options is at the Company’s discretion and is included in the lease term when it is determined that the options are reasonably certain to be exercised. The discount rates utilized to measure operating lease liabilities are generally based on estimates of the Company’s incremental borrowing rate, as the discount rates implicit in lease agreements cannot be readily determined.

Business Combinations

The Company allocates the fair value of purchase consideration to the assets acquired and liabilities assumed based on their estimated fair values. The excess of the fair value of purchase consideration over the net assets acquired is recorded as goodwill. Measurement period adjustments are reflected at the time identified, up through the conclusion of the measurement period, which is the time at which all necessary information is received, and is not to exceed one year from the acquisition date.

Impairment of Goodwill, Acquired Intangible Assets and Long-Lived Assets

Goodwill is evaluated for impairment annually on December 31, or whenever events or circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of goodwill exceeds its fair value, an impairment loss is recognized for any excess of the carrying amount of goodwill over its implied fair value.

Acquired intangible assets primarily consist of one asset class of in-process research and development (“IPR&D”) from the Company’s historical acquisitions. IPR&D assets that have not been completed are subject to impairment considerations annually on December 31, or whenever events or circumstances indicate that the carrying amounts may not be recoverable. No impairment losses were recognized on acquired intangible assets during the periods presented.

Long-lived assets, such as property and equipment and operating lease right-of-use assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The Company performs impairment testing at the level that represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Recoverability is measured by comparing the carrying amounts to the expected future undiscounted cash flows attributable to the assets. If it is determined that an asset may not be recoverable, an impairment is recognized to the extent that the carrying amount exceeds its fair value. No material impairment losses were recognized on long-lived assets during the periods presented.

Research and Development

Research and development costs are expensed as incurred, and consist primarily of personnel costs, hardware and electrical engineering prototyping, cloud computing, data labeling, and third-party development services. To date, the Company has not capitalized software development costs related to the development of the Aurora Driver due to the remaining planning, designing, coding and testing activities necessary for technology validation and safe autonomous operation.

Stock-based Compensation

The Company measures stock-based compensation using the fair value based method on the grant date. Restricted stock units (“RSUs”) are measured based on fair value of the Company’s publicly traded common stock, while stock options are measured using a Black-Scholes option pricing model with assumptions including expected term, risk-free interest rate, and expected volatility. Due to the Company’s limited historical stock option exercise experience as a public company, the expected term of stock options is determined utilizing the simplified method based on vesting and contractual terms. The expected volatility is determined based on the historical volatility of comparable public companies over the expected term of the stock option. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant.

Stock-based compensation for awards with only service conditions is recognized on a straight-line basis over the requisite service period, which is generally the vesting period, while awards with service and performance conditions is recognized on a graded-vesting basis over the requisite service period. The Company recognizes the effect of forfeitures in the period they occur.

Derivative Liabilities

The Company accounts for the public and private placement stock purchase warrants (collectively “the warrants”) as derivative liabilitiesThe liabilities are measured at fair value on a recurring basis with any changes in fair value reflected in the statement of operations until the warrants are exercised, redeemed, or expire.

The Company accounts for shares held by Reinvent Sponsor Y LLC (the “Sponsor”) not forfeited under the terms of the Merger Agreement and subject to price based vesting terms (the “Earnout Shares”) as derivative liabilities*.* The liability is measured at fair value on a recurring basis with any changes in fair value reflected in the statement of operations until the vesting conditions are met or the shares expire.

Income Taxes

The Company accounts for income taxes using the asset-and-liability method. Deferred tax assets and liabilities are recognized based upon the temporary differences between the financial reporting and tax basis of assets and liabilities using enacted rates in effect for the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce the deferred tax assets when it is more likely than not that a portion or all of the deferred tax assets will not be realized.

The Company records uncertain tax positions on the basis of a two-step process in which: (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of technical merits of the position, and (2) for those tax positions that meet the more likely than not recognition threshold, the Company recognizes the tax benefit as the largest amount that is cumulatively more likely than not to be realized upon ultimate settlement with the related tax authority.

Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

Certain Risks and Uncertainties

The Company’s operations are principally funded by available liquidity from cash, cash equivalents and short-term investments. Management expects to continue to incur operating losses and that the Company will need to opportunistically raise additional capital to support the continued development and commercialization of the Aurora Driver. Management believes that cash on hand and short-term investments will be sufficient to meet its working capital and capital expenditure requirements for a period of at least twelve months from the date of these financial statements.

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash, cash equivalents and short-term investments. The Company primarily maintains its cash and cash equivalents at U.S. commercial banks, while its short-term investments primarily consist of U.S. Treasury securities. Cash and cash equivalents deposited with domestic commercial banks generally exceed the Federal Deposit Insurance Corporation insurable limit, though the Company has not experienced any credit losses on its deposits.

Recently Adopted Accounting Standards

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2023-07, Segment Reporting, which expands disclosure requirements for reportable segments including enhanced disclosures about significant segment expenses. The updated standard is effective for the Company's fiscal 2024 annual period and interim periods beginning in the first quarter of fiscal 2025. Early adoption is permitted. The Company is currently evaluating the impact of this guidance and the timing of adoption.

In December 2023, the FASB issued Accounting Standards Update 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid to enhance the transparency and decision usefulness of income tax disclosures. The updated standard is effective for the Company's fiscal 2025 annual period. The Company is currently evaluating the impact of this guidance.

Note 3. Acquisitions

The Merger

On November 3, 2021, Aurora consummated the Merger with Legacy Aurora.

In connection with the Merger, issued and outstanding shares of Legacy Aurora common stock converted into shares of Aurora common stock and outstanding Legacy Aurora equity awards converted into Aurora equity awards based on the exchange ratio of approximately 2.1708 (the "Exchange Ratio"), based on the following events contemplated by the Merger Agreement:

- the cancellation and conversion of all 205 million issued and outstanding shares of Legacy Aurora redeemable convertible preferred stock into 205 million shares of Legacy Aurora common stock;
- the surrender and exchange of all 458 million shares of Legacy Aurora common stock, including shares of Legacy Aurora common stock resulting from the conversion of Legacy Aurora redeemable convertible preferred stock, were converted to 995 million shares of Aurora common stock, as adjusted by the Exchange Ratio;
- the cancellation and surrender of all 38 million granted and outstanding vested and unvested Legacy Aurora stock options, which were converted into 82 million Aurora stock options to purchase shares of Aurora common stock with the same terms and vesting conditions, as adjusted by the Exchange Ratio; and
- the cancellation and exchange of all 16 million granted and outstanding vested and unvested Legacy Aurora RSUs, which were converted into 35 million Aurora RSUs for shares of Aurora common stock with the same terms and vesting conditions, as adjusted by the Exchange Ratio.

The other related events that occurred concurrent with the Merger are summarized below:

- the Company sold 100 million shares of Aurora common stock for aggregate proceeds of $1,000 million to certain institutional and accredited investors (the "PIPE Investment");
- the 7 million issued and outstanding shares of Aurora common stock beneficially held by the Sponsor became subject to transfer restrictions and contingent forfeiture provisions upon the Merger (the "Earnout Shares"), of which 2 million of the Earnout Shares became subject to time-based provisions and 5 million of the Earnout Shares became subject to time- and market-based provisions; see Note 8 – Equity Incentive Plans for more information; and
- the public holders of 76 million shares of Aurora common stock exercised their redemption feature resulting in an aggregate payment of $755 million (the "Redemption").

After giving effect to the Merger and other related events described above, the number of shares of Aurora common stock issued and outstanding subsequent to the Merger was as follows (in millions):

	Shares
Aurora common stock, prior to redemptions	98
Less: Redemption of Aurora common stock	(76)
Aurora common stock, net of redemptions	22
Sponsor shares including Earnout Shares	7
PIPE Investment	100
Total shares of Aurora common stock, prior to the Merger	129
Shares issued in exchange in the Merger	995
Total shares of Aurora common stock, subsequent to the Merger	1,124

In connection with the Merger, the Company raised net proceeds of $1,223 million including $1,000 million from the PIPE Investment, and $223 million of cash held in the trust account from its initial public offering. The proceeds were net of $755 million paid in relation with the Redemption and $49 million of costs incurred prior to the Merger. In connection with the Merger, Legacy Aurora incurred $41 million in transaction costs consisting of banking, legal, and other professional fees, of which $36 million was recorded as a reduction to additional paid-in capital and $5 million was expensed in the consolidated statements of operations. Total net cash proceeds to the Company were $1,134 million.

Reverse Recapitalization

The Merger was accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, the Company is treated as the acquired company and the Merger is treated as the equivalent of Legacy Aurora issuing shares for the net assets of the Company, accompanied by a recapitalization. The accounting acquirer was primarily determined based on Legacy Aurora shareholders having the largest voting interest in the post-combination company and the ability to appoint the majority of the members of the Board of Directors as well as Legacy Aurora management holding executive management roles in the post-combination company and are responsible for the day-to-day operations which are comprised of Legacy Aurora activities.

The net assets of the Company were recognized at historical cost as of the Closing Date, with no goodwill or other intangible assets recorded. Operations and cash flows presented prior to the Closing Date represent are those of Legacy Aurora and the accumulated deficit of Legacy Aurora has been carried forward after the Closing Date. All share and per share information presented have been adjusted to reflect the recapitalization on a retrospective basis for all periods presented.

Apparate USA LLC

On January 19, 2021, the Company acquired 100% of the voting interests of Apparate USA LLC ("ATG") which was a company developing self-driving technology.

The fair value of the consideration transferred for ATG was $1,916 million which consisted of non-cash equity consideration, including110 million shares of redeemable convertible preferred stock and 252 million shares of common stock. The redeemable convertible preferred stock was valued based on a concurrent purchase of the Company's redeemable convertible preferred stock. The common stock was valued based on its fair value as the acquisition date, as determined using an option pricing method model.

In January 2021, the Company paid $10 million relating to financial advisory fees with a former related party of which $8 million was recognized as transaction costs associated with the acquisition and $2 million was recorded as a reduction to redeemable convertible preferred stock as issuance costs in the twelve months ended December 31, 2021. Including the financial advisory fees with a former related party, the total transaction costs associated with the acquisition were $15 million in the twelve months ended December 31, 2021 and were recorded in selling, general and administrative.

The following table summarizes the fair value of assets acquired and liabilities assumed as of the date of the ATG acquisition (in millions):

	Fair Value
Cash and cash equivalents	$ 311
Property and equipment, net	63
Operating lease right-of-use assets	42
Acquisition related intangible assets	546
Goodwill	1,060
Related party payable	(47)
Operating lease liabilities	(40)
Other assets and (liabilities), net	(19)
Total	$ 1,916

The acquisition related intangible asset identified was IPR&D, which has an indefinite useful life as of the date of the acquisition. The fair value of the IPR&D intangible asset was determined through a replacement cost approach, which identifies the costs that would be necessary to recreate the asset if the Company were to internally develop the acquired technology. Significant unobservable inputs include overhead costs, profit margin, opportunity cost, and obsolescence.

The excess of purchase consideration over the fair value of net tangible and identifiable intangible assets acquired was recorded as goodwill, which is primarily attributed to the assembled workforce, and is not deductible for tax purposes.

During the twelve months ended December 31, 2021, the Company recognized $8 million in non-cash severance paid by the former parent of ATG. This amount was allocated from total equity consideration transferred. Subsequent to the acquisition, the Company entered into a transition services agreement which expired during the first quarter of 2022. Expenses incurred under the transition services agreement were not significant to the reporting periods.

OURS Technology, Inc.

On March 5, 2021, the Company acquired 100% of the voting interests in OURS Technology, Inc. ("OURS"), a silicon photonics company. The Company has included the financial results of OURS in the condensed consolidated financial statements prospectively from the date of acquisition. The fair value of the consideration transferred for OURS was $41 million, which consisted of the following (in millions):

	Fair Value
Cash	$ 16
Stock consideration	24
Assumed liabilities related to third-party expenses	1
Total fair value of consideration transferred	$ 41

The non-cash stock consideration transferred comprised 6 million shares of common stock and was valued using an option pricing model as of the acquisition date. As part of the OURS acquisition, the Company assumed certain OURS compensation agreements, including the conversion of certain shares of OURS restricted stock into rights to receive the Company's restricted stock, and assuming certain stock options with an estimated fair value of $4 million. For the stock options assumed, based on the service period related to the period prior to the OURS acquisition date, $2 million was allocated to the purchase price, and $2 million relating to post-acquisition services which will be recorded as operating expenses over the remaining requisite service periods.

The following table summarizes the fair value of assets acquired and liabilities assumed as of the date of the OURS acquisition (in millions):

	Fair Value
Acquisition related intangible assets	$ 19
Goodwill	24
Deferred tax liability	(2)
Total	$ 41

The acquisition related intangible asset identified was IPR&D, which has an indefinite useful life as of the date of the acquisition. The fair value of the IPR&D intangible asset was determined through a replacement cost approach, which identifies the costs that would be necessary to recreate the asset if the Company were to internally develop the acquired technology. Significant unobservable inputs include profit margin and opportunity cost.

The excess of purchase consideration over the fair value of net tangible and identifiable intangible assets acquired was recorded as goodwill, which is primarily attributed to the assembled workforce, and is not deductible for tax purposes.

Note 4. Goodwill

The changes in the carrying amount of goodwill were as follows (in millions):

	As of December 31, 2022	Goodwill impairment	As of December 31, 2023
Goodwill	$ 1,114	$ —	$ 1,114
Accumulated impairment loss	(1,114)	—	(1,114)
Carrying amount of goodwill	$ —	$ —	$ —

During the second quarter and fourth quarter of 2022, the market price of the Company's Class A common stock and its market capitalization declined significantly. As a result, the Company determined that a triggering event had occurred and goodwill impairment assessments were performed.

For each goodwill impairment assessment, the Company utilized a market approach valuation method utilizing the observable market price of the Company's Class A common stock as it represented the best evidence of the fair value of its reporting unit. Based on the results, the Company recognized a $1,114 million goodwill impairment during the twelve months ended December 31, 2022.

Note 5. Cash, Cash Equivalents and Investments

Cash, cash equivalents and restricted cash were as follows (in millions):

	As of	
	December 31, 2023	December 31, 2022
Cash and cash equivalents	$ 501	$ 262
Restricted cash, current [(a)]	1	—
Restricted cash, long-term [(b)]	16	15
Total cash, cash equivalents and restricted cash	$ 518	$ 277

[(a)] Included in other current assets on the consolidated balance sheets

[(b)] Included in other assets on the consolidated balance sheets

The components of cash, cash equivalents, short-term investments and long-term investments measured at fair value on a recurring basis were as follows (in millions):

		As of	
	Fair value level	December 31, 2023	December 31, 2022
Cash and cash equivalents:			
Bank deposits	Level 1	$ —	$ 1
Money market funds	Level 1	220	204
U.S. Treasury securities	Level 2	251	57
Commercial Paper	Level 2	30	—
Total cash and cash equivalents		$ 501	$ 262
Short-term and long-term investments:			
U.S. Treasury securities	Level 2	$ 769	$ 839
Commercial Paper	Level 2	54	—
Corporate Bonds and Notes	Level 2	24	—
Total short-term and long-term investments		$ 847	$ 839

Available-for-sale debt securities classified as long-term investments mature after one year and through two years.

The amortized cost, unrealized gains and losses, and fair value of available-for-sale debt securities were as follows (in millions):

	As of December 31, 2023		
	Amortized cost	Unrealized gains	Fair value
U.S. Treasury securities	$ 768	$ 1	$ 769
Commercial Paper	54	—	54
Corporate Bonds and Notes	24	—	24
Total short-term and long-term investments	$ 846	$ 1	$ 847

	As of December 31, 2022		
	Amortized cost	Unrealized losses	Fair value
U.S. Treasury securities	$ 841	$ (2)	$ 839

Note 6. Collaboration Revenue

In the twelve months ended December 31, 2023, 2022 and 2021, the Company received payments of $—, $100 million and $50 million, respectively, under the collaboration project plan with Toyota.

As of December 31, 2022, the Company had recognized all revenue associated with cash payments received under the collaboration project plan with Toyota. As a result, no revenue was recognized during the twelve months ended December 31, 2023.

Note 7. Stockholders' Equity

Preferred Stock

The Company is authorized to issue 1,000 million shares of preferred stock with a par value of $0.00001 per share. There were no shares of preferred stock issued and outstanding at December 31, 2023 and December 31, 2022.

Common Stock

The Company is authorized to issue 51,000 million shares of common stock with a par value of $0.00001 per share; of which 50,000 million shares are designated Class A common stock and 1,000 million shares are designated Class B common stock. Class A common stock holders are entitled to one vote for each share and Class B common stock holders are entitled to ten votes for each share. Class A and Class B have identical liquidation and dividend rights. Class B shares are convertible into Class A upon election by the holder or upon transfer (except for certain permitted transfers).

The Company had 1,162 million and 754 million shares of Class A common stock issued and outstanding at December 31, 2023 and December 31, 2022, respectively. The Company had 367 million and 412 million shares of Class B common stock issued and outstanding at December 31, 2023 and December 31, 2022, respectively.

Private Placement

On July 21, 2023, the Company completed a private placement (the "Private Placement"), in which the Company sold approximately 222 million shares of Class A common stock at a price of $2.70 per share, for proceeds to the Company of $584 million, net of transaction costs.

In connection with the Private Placement, the Company entered into a registration rights agreement, dated July 18, 2023 ("Private Placement Registration Rights Agreement"), with certain existing institutional and strategic investors, entities affiliated with two of its directors, and new institutional investors. Pursuant to the Private Placement Registration Rights Agreement, on July 21, 2023, the Company filed a registration statement with the Securities and Exchange Commission for the registration for resale of the securities sold in the Private Placement.

Public Offering

On July 21, 2023, the Company completed a public offering (the "Public Offering") of approximately 73 million shares of Class A common stock at a price of $3.00 per share, for proceeds of $212 million, net of transaction costs. Following the Public Offering, the Company issued an additional 11 million shares of Class A common stock in connection with the exercise of the underwriters' over-allotment option, for proceeds of $32 million, net of transaction costs.

Note 8. Equity Incentive Plans

The Company has outstanding awards granted under four equity compensation plans: the 2021 Equity Incentive Plan (the "Plan"), the Legacy Aurora 2017 Equity Incentive Plan (the "2017 Plan"), the Blackmore Sensors & Analytics, Inc. 2016 Equity Incentive Plan (the "Blackmore Plan"), and the OURS Technology Inc 2017 Stock Incentive Plan (the "OURS Plan"). The Company assumed awards under the 2017 Plan, the Blackmore Plan and the OURS Plan to the extent such employees continued as employees of the Company.

The Plan includes an annual increase in class A common shares available for issuance on the first day of each fiscal year beginning in fiscal 2022 and ending in fiscal 2031 equal to the lesser of (i) 121 million, (ii) 5% of total shares outstanding on the last day of the preceding fiscal year, and (iii) a lesser number of shares determined by the Plans' administrator. Any stock options, RSUs or other awards from the 2017 Plan, the Blackmore Plan, or the OURS Plan that, on or after the Closing Date, expire or otherwise terminate without having been exercised or issued in full are added to the Plan up to a maximum of 121 million shares. As of December 31, 2023, there were 193 million shares available for grant under the Plan.

Under the Plan, equity-based compensation in the form of RSUs, restricted stock awards, incentive stock options, nonqualified stock options, stock appreciation rights, and performance units may be granted to employees, officers, directors, consultants, and others.

Restricted Stock Units

RSUs granted under the 2017 Plan generally are subject to two vesting requirements: (1) a time-based vesting requirement, and (2) a liquidity event. Generally, the time-based vesting requirement is quarterly over four years starting on the vesting commencement date, with a one-year cliff. The liquidity event vesting requirement was satisfied with the Merger.

RSUs granted under the Plan generally are subject to a time-based vesting requirement. Generally, the time-based vesting requirement is quarterly over one to four years starting on the vesting commencement date, with a one-year cliff vesting for new hire awards.

RSUs granted under the Plan and the 2017 Plan were as follows:

	Twelve Months Ended December 31,		
	2023	2022	2021
RSUs granted (in millions)	63	113	45
Weighted average grant date fair value	$ 1.74	$ 3.62	$ 4.56

RSU activity under the Plan and the 2017 Plan was as follows (in millions, except per share amounts):

	Number of shares	Weighted-average grant date fair value
Unvested at December 31, 2022	103	$ 3.70
Granted	63	1.74
Vested	(49)	3.27
Forfeited	(17)	3.17
Unvested at December 31, 2023	100	$ 2.76

The unrecognized stock-based compensation related to unvested RSUs was $233 million at December 31, 2023 and will be recognized over a weighted average period of 2.4 years. The fair value of RSUs as of their respective vesting dates was $118 million, $90 million and $10 million for the twelve months ended December 31, 2023, 2022 and 2021, respectively.

Stock Options

The exercise price of stock options granted under the Plan and the 2017 Plan may not be less than 100% of the fair value of the Company's common stock on the date of the grant. Stock options generally vest over one to four years starting on the vesting commencement date and expire, if not exercised, 10 years from the date of grant or, if earlier, three months after the option holder ceases to be a service provider of the Company. Stock options outstanding under the Blackmore Plan and the OURS Plan are not material.

Stock options granted under the Plan and the 2017 Plan were as follows:

	Twelve Months Ended December 31,		
	2023	2022	2021
Stock options granted (in millions)	62	9	19
Weighted average grant date fair value	$ 0.97	$ 1.35	$ 1.90
Weighted average grant date fair value assumptions:			
Expected term	5.8 years	5.6 years	5.9 years
Risk-free interest rates	4.3 %	3.6 %	0.6 %
Expected volatility	55.0 %	55.0 %	55.0 %

Stock option activity under the Plan and the 2017 Plan was as follows (in millions, except per share amounts):

	Number of shares	Weighted average exercise price	Weighted average remaining contractual term (in years)	Aggregate intrinsic value
Outstanding at December 31, 2022	63	$ 1.76		
Granted	62	1.75		
Exercised	(11)	1.05		
Forfeited	(7)	1.96		
Expired	(3)	3.05		
Outstanding at December 31, 2023	104	$ 1.78	7.8	$ 269
Exercisable at December 31, 2023	53	$ 1.66	6.4	$ 143

The unrecognized stock-based compensation related to unvested stock options was $49 million as of December 31, 2023 and will be recognized over a weighted average period of 2.6 years. The intrinsic value of stock options exercised was $20 million, $62 million and $53 million for the twelve months ended December 31, 2023, 2022 and 2021, respectively.

Related Party RSUs

Prior to the ATG acquisition, employees of ATG received grants of RSUs in the former ultimate parent company of ATG, which became a related party of the Company after the closing of the transaction. These awards were modified after the transaction to allow the awards to continue to vest for the first year subsequent to the closing of the acquisition as long as personnel remain employees of the Company. These awards are compensation for services provided to the Company and accounted for as stock-based compensation.

Awards representing 3 million shares were modified on the acquisition date and 1 million shares were forfeited before the final vesting in January 2022. The fair value of these awards was equal to the market value of the related party's common stock on the date of modification.

Stock-based compensation recognized for related party RSUs was $—, $6 million and $128 million for the twelve months ended December 31, 2023, 2022 and 2021, respectively. No unrecognized stock-based compensation remains for the related party RSUs as of December 31, 2023.

Stock-based Compensation Expense

Stock-based compensation is allocated on a departmental basis, based on the classification of the option holder or grant recipient. No income tax benefits have been recognized in the statement of operations for stock-based compensation arrangements and no stock-based compensation has been capitalized as of December 31, 2023.

Total stock-based compensation expense by function was as follows (in millions):

	Twelve Months Ended December 31,		
	2023	2022	2021
Research and development	$ 139	$ 137	$ 207
Selling, general, and administrative	21	19	13
Total	$ 160	$ 156	$ 220

Note 9. Derivative Liabilities

Common Stock Warrants

On the consummation of the Merger, 12 million public warrants for Class A common stock at an exercise price per share of $11.50 and 9 million private placement warrants held by the Sponsor with an exercise price per share of $11.50 converted into warrants of Aurora common stock. The public and private placement warrants that remain unexercised will expire on November 3, 2026.

Public Warrants

Public warrants may be redeemed, in whole and not in part, when the last reported sales price of Class A common stock exceeds $10.00 or $18.00 per share for any 20 trading days within a 30 trading day period ending on the third trading day prior to the date on which the Company sends the notice of redemption to the public warrant holders (the "Reference Value").

If the Reference Value exceeds $18.00 per share, public warrants are redeemable at $0.01 per warrant upon not less than 30 days' prior written notice of redemption to each warrant holder.

If the Reference Value exceeds $10.00 per share, public warrants are redeemable at $0.10 per warrant upon a minimum of 30 days' prior written notice provided that the holders will be able to exercise their public warrants on a cashless basis prior to redemption and receive that number of shares determined by reference to an agreed table based on the redemption date and the fair market value of Class A ordinary shares, which is defined as the volume-weighted average price of Class A ordinary shares for the 10 trading days following the date on which the notice of redemption is sent to the holders of public warrants. In no event will the public warrants be exercisable in connection with this redemption feature for more than 0.361 Class A ordinary shares per warrant.

Private Placement Warrants

Private placement warrants are not redeemable by the Company as long as they are held by a Sponsor or its permitted transferees. If the public warrants are redeemed by the Company when the Reference Value exceeds $18.00 per share, the Sponsor has agreed to exercise the private placement warrants for cash or on a cashless basis. If the public warrants are redeemed by the Company when the Reference Value equals or exceeds $10.00 per share, the private placement warrants are also concurrently called for redemption on the same terms as of the public warrants.

Earnout Share Liabilities

In connection with the Merger, the Sponsor was issued earnout shares which were recorded as derivative liabilities due to lock-up and price-based vesting conditions as follows:

- 2 million shares vest when it has been at least 2 years since the Merger and the volume weighted average price ("VWAP") of the Company's class A common stock equals or exceeds $15.00 for 20 trading days of any consecutive 30 trading day period
- 2 million shares vest when it has been at least 3 years since the Merger and the VWAP equals or exceeds $17.50 for 20 trading days of any consecutive 30 trading day period; and,
- 2 million shares vest when it has been at least 4 years since the Merger and the VWAP equals or exceeds $20.00 for 20 trading days of any consecutive 30 trading day period.

No earnout shares subject to lock-up and price-based vesting have vested as of December 31, 2023. Earnout shares that remain unvested at November 3, 2031 are subject to forfeiture.

The components of derivative liabilities measured at fair value on a recurring basis were as follows (in millions):

		As of	
	Fair value level	December 31, 2023	December 31, 2022
Public warrants	Level 1	$ 6	$ 2
Private placement warrants	Level 2	4	1
Common stock warrants		10	3
Earnout share liabilities	Level 3	14	1
Total derivative liabilities		$ 24	$ 4

The public and private placement warrants are measured at fair value on a recurring basis. The public warrants were valued based on the closing price of the publicly traded instrument. The private placement warrants were valued using observable inputs for similar publicly traded instruments. Public warrants outstanding were 12 million as of December 31, 2023 and December 31, 2022. Private placement warrants outstanding were 9 million as of December 31, 2023 and December 31, 2022.

The earnout share liabilities are measured at fair value on a recurring basis utilizing a Monte Carlo simulation analysis. The expected volatility is determined based on the historical equity volatility of comparable companies over a period that matches the expected term of the instrument. The risk-free interest rate is based on relevant U.S. treasury rates for a period that matches the expected term of the instrument. Earnout shares outstanding were 5 million as of December 31, 2023 and December 31, 2022.

The valuation inputs utilized in determining the earnout share liability were as follows:

	As of	
	December 31, 2023	December 31, 2022
Risk-free interest rates	3.9 %	3.9 %
Expected term (in years)	7.8	8.8
Expected volatility	53.0 %	50.0 %

The components of change in fair value of derivative liabilities were as follows (in millions):

	Twelve Months Ended December 31,		
	2023	2022	2021
Common stock warrants	$ (7)	$ 63	$ (12)
Earnout share liabilities	(13)	51	(8)
Change in fair value of derivative liabilities	$ (20)	$ 114	$ (20)

Note 10. Leases

The Company leases its office facilities and warehouses under non-cancelable operating lease agreements that expire through 2042, including renewal options that are reasonably certain to be exercised.

Rent expense under operating leases was $27 million and $28 million and $25 million in twelve months ended December 31, 2023, 2022 and 2021, respectively. As of December 31, 2023, the Company's operating leases had a weighted average remaining lease term of 8.2 years and a weighted average discount rate of7.0%.

Future lease payments for leases that have not yet commenced were $32 million as of December 31, 2023. Lease commencement will occur once the lessor substantially completes construction to make the underlying asset available for use.

As of December 31, 2023, future maturities of lease liabilities were as follows (in millions):

		Operating leases
Year ending December 31,		
2024	$	23
2025		24
2026		22
2027		19
2028		18
Thereafter		58
Total lease payments		164
Less: imputed interest		(42)
Total operating lease liabilities	$	122

Note 11. Balance Sheet Details

Property and Equipment, Net

The components of property and equipment, net were as follows (in millions):

	As of			
	December 31, 2023		December 31, 2022	
Land	$	14	$	14
Buildings and leasehold improvements		82		70
Equipment		25		24
Vehicles		16		7
Other		15		15
		152		130
Less accumulated depreciation and amortization		(58)		(39)
Total property and equipment, net	$	94	$	91

Other Current Liabilities

The components of other current liabilities were as follows (in millions):

	As of			
	December 31, 2023		December 31, 2022	
Accrued compensation	$	65	$	52
Other accrued expenses		31		18
Total accrued expenses and other current liabilities	$	96	$	70

Note 12. Earnings Per Share

The Company computes earnings per share of common stock using the two-class method required for participating securities. The participating securities did not impact the computation of earnings per share in the periods presented as no dividends were declared and the participating securities are not contractually obligated to share in losses.

The Company has two classes of common stock with identical liquidation and dividend rights, Class A and Class B. The net loss is allocated in a proportionate basis to each class of common stock and results in the same net loss per share.

The following table presents the potential common stock outstanding excluded from the computation of diluted loss per share because including them would have had an antidilutive effect (in millions):

	As of		
	December 31, 2023	December 31, 2022	December 31, 2021
RSUs	100	103	35
Stock options	105	65	82
Public warrants	12	12	12
Private placement warrants	9	9	9
Earnout shares liability	5	5	5
Total	231	194	143

Note 13. Income Taxes

The components of income tax benefit were as follows (in millions):

	Twelve Months Ended December 31,		
	2023	2022	2021
Deferred income benefit:			
Federal	$ —	$ —	$ (4)
State	—	—	(1)
Total deferred income tax benefit	—	—	(5)
Income tax benefit	$ —	$ —	$ (5)

The reconciliations of the effective tax rate from the federal statutory rate were as follows:

	Twelve Months Ended December 31,		
	2023	2022	2021
Federal statutory tax rate	21.0 %	21.0 %	21.0 %
State income tax, net of federal tax benefit	—	—	0.1
Stock-based compensation	(1.8)	(0.2)	(0.4)
Research and development credits	3.7	1.5	2.5
Liability classified financial instruments	(0.5)	1.4	(0.7)
Adjustments of prior years' taxes	(2.7)	—	—
Goodwill impairment	—	(13.6)	—
Other	(0.3)	(0.1)	(0.1)
Change in valuation allowance	(19.4)	(10.0)	(21.8)
Effective tax rate	— %	— %	0.6 %

The components of deferred tax assets and liabilities were as follows (in millions):

	As of	
	December 31, 2023	December 31, 2022
Deferred tax assets:		
Net operating losses	$ 404	$ 324
Tax credits	122	83
Stock-based compensation	8	17
Capitalized R&D	222	130
Lease liability	26	29
Other	16	14
Deferred tax assets, gross	798	597
Valuation allowance	(726)	(542)
Deferred tax assets, net of valuation allowance	72	55
Deferred tax liabilities:		
Depreciation and amortization	(47)	(27)
Right of use asset	(26)	(29)
Other	(3)	(3)
Deferred tax liabilities	(76)	(59)
Deferred tax liabilities, net	$ (4)	$ (4)

As of December 31, 2023, federal and state net operating losses were $1,548 million and $1,459 million, respectively. If not utilized, the federal and state net operating loss carryforwards will begin to expire starting in 2036 and 2029, respectively. Federal and similar state provisions limit the use of net operating losses and tax credit carryforwards in certain situations where changes occur in the stock ownership of a company. Certain acquired net operating losses and tax credits are subject to limitations.

As of December 31, 2023, federal research and development credits were $118 million, which will begin to expire in 2037 and state research and development credits were $35 million, which will begin to expire in 2032.

Assessing the realizability of deferred tax assets is dependent upon several factors, including the likelihood and amount, if any, of future taxable income in relevant jurisdictions during the periods in which those temporary differences become deductible. The Company has evaluated the criteria for realization of deferred tax assets and, as a result, has determined that certain deferred tax assets are not realizable.

The components of changes in the valuation allowance were as follows (in millions):

	Twelve Months Ended December 31,		
	2023	2022	2021
Valuation allowance at beginning of period	$ 542	$ 331	$ 87
Change in deferred tax asset positions	184	211	244
Valuation allowance at end of period	$ 726	$ 542	$ 331

The components of changes in unrecognized tax benefits were as follows (in millions):

	Twelve Months Ended December 31,		
	2023	2022	2021
Unrecognized tax benefits at beginning of period	$ 21	$ 18	$ 5
Increases related to tax positions taken during a prior year	1	1	1
Increases related to tax positions taken during the current year	9	8	12
Decreases related to tax positions taken during a prior year	—	(6)	—
Unrecognized tax benefits at end of period	$ 31	$ 21	$ 18

The Company's policy is to recognize interest and penalties related to unrecognized tax benefits within the provision for income taxes. Amounts accrued for interest and penalties were not significant during the twelve months ended December 31, 2023, 2022 and 2021.

The Company does not anticipate that the amount of existing unrecognized tax benefits will significantly increase or decrease within the next 12 months. None of the unrecognized tax benefits, if recognized, would have a material effect on the effective tax rate.

The Company files U.S. federal and state income tax returns. The Company is not currently under examination by income tax authorities in any jurisdiction. All tax returns will remain open for examination by the federal and state authorities for three and four years, respectively, from the date of utilization of any net operating losses or credits.

Note 14. Commitments and Contingencies

Purchase Commitments

The Company has entered into a contract for cloud hosting services under which non-cancelable future minimum payments as of December 31, 2023 were as follows (in millions):

	Purchase obligation
Year ending December 31,	
2024	$ 61
2025	64
2026	38
2027	—
2028	—
Thereafter	—
Total	$ 163

Contingencies

From time to time the Company may be party to various claims in the normal course of business. Legal fees and other costs associated with such actions are expensed as incurred. The Company assesses the need to record a liability for litigation and loss contingencies. Reserve estimates are recorded when and if it is determined that a loss related to certain matters is both probable and reasonably estimable. No material loss contingencies were recorded in the twelve months ended December 31, 2023, 2022, and 2021.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

Our management evaluated, with the participation of our chief executive officer and chief financial officer (our "Certifying Officers"), the effectiveness of our disclosure controls and procedures as of December 31, 2023, pursuant to Rule 13a-15(b) under the Exchange Act. Based upon that evaluation, our Certifying Officers concluded that our disclosure controls and procedures were effective as of December 31, 2023.

Management's Report on Internal Control over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Management conducted an assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2023 based on the criteria set forth in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has determined that our internal controls over financial reporting was effective as of December 31, 2023.

The effectiveness of our internal control over financial reporting as of December 31, 2023 has been audited by PricewaterhouseCoopers, an independent registered public accounting firm, as stated in their report, which is included in Item 8 of this Annual Report on Form 10-K/A.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the fiscal quarter ended December 31, 2023 covered by this Annual Report on Form 10-K/A that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Control systems, no matter how well conceived and operated, are designed to provide a reasonable, but not an absolute, level of assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Because of the inherent limitations in any control system, misstatements due to error or fraud may occur and not be detected.

PART IV

Item 15. Exhibit and Financial Statement Schedules.

(a) Documents filed as part of this report are as follows:

(1) All Financial Statements: Refer to the "Index to Consolidated Financial Statements" included under Part II, Item 8 of this Form 10-K/A.

(2) Financial Statement Schedules: All financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and accompanying notes included under Part II, Item 8 of this Form 10-K/A.

(3) Exhibits: The documents listed below are incorporated by reference or are filed with this report, in each case as indicated therein.

		Incorporated by reference				
Exhibit No.	**Description**	**Form**	**File No.**	**Exhibit No.**	**Filing Date**	**Filed or Furnished Herewith**
23.1	Consent of Independent Registered Public Accounting Firm (PricewaterhouseCoopers LLP)					X
23.2	Consent of Independent Registered Public Accounting Firm (KPMG)					X
31.1	Rule 13a-14(a) / 15d-14(a) Certification of Principal Executive Officer					X
31.2	Rule 13a-14(a) / 15d-14(a) Certification of Principal Financial Officer					X
32.1*	Section 1350 Certification of Principal Executive Officer					X
32.2*	Section 1350 Certification of Principal Financial Officer					X
101.INS	Inline XBRL Instance Document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					X

* The certifications attached as Exhibit 32.1 and 32.2 that accompany this Form 10-K/A are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Aurora Innovation, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Form 10-K/A, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date:	May 24, 2024	**Aurora Innovation, Inc.**		
			By:	/s/ Chris Urmson
			Name:	Chris Urmson
			Title:	Chairman and Chief Executive Officer

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-260835, 333-273378, and 333-276317) and Form S-8 (Nos. 333-272272, 333-269887, 333-263498, and 333-277080) of Aurora Innovation, Inc. of our report dated February 14, 2024 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K/A.

/s/ PricewaterhouseCoopers LLP
Pittsburgh, Pennsylvania
May 24, 2024

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (Nos. 333-260835, 333-273378, and 333-276317) on Form S-3 and (Nos. 333-272272, 333-269887, 333-263498, and 333-277080) on Form S-8 of our report dated February 21, 2023, with respect to the consolidated financial statements of Aurora Innovation, Inc.

/s/ KPMG LLP

Santa Clara, California
May 24, 2024

CERTIFICATION

I, Chris Urmson, certify that:

1. I have reviewed this Annual Report on Form 10-K/A of Aurora Innovation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	May 24, 2024	By:	/s/ Chris Urmson
		Name:	Chris Urmson
		Title:	Chairman and Chief Executive Officer *(Principal Executive Officer)*

Exhibit 31.2

CERTIFICATION

I, David Maday, certify that:

1. I have reviewed this Annual Report on Form 10-K/A of Aurora Innovation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	May 24, 2024	By:	/s/ David Maday
		Name:	David Maday
		Title:	Chief Financial Officer *(Principal Financial Officer)*

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Aurora Innovation, Inc. (the “Company”) on Form 10-K/A for the period ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	May 24, 2024	By:	/s/ Chris Urmson
		Name:	Chris Urmson
		Title:	Chairman and Chief Executive Officer *(Principal Executive Officer)*

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Aurora Innovation, Inc. (the “Company”) on Form 10-K/A for the period ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date:	May 24, 2024	By:	/s/ David Maday
		Name:	David Maday
		Title:	Chief Financial Officer *(Principal Financial Officer)*