

Humanitarian Risks Due to Climate Change Policies

WHEREAS: The global energy crisis has focused the public’s and policy makers’ attention on the effects from rising energy prices. Russia’s invasion of Ukraine is partially to blame, but the haphazard worldwide transition to so-called¹ “green” energy has arguably inflicted greater harm via toxic pollution and energy prices:²

- According to Fatih Birol, Executive Director of the International Energy Agency, developing nations are the most vulnerable to rising fossil fuel prices.³ “Birol said those who will be hit hardest include oil-importing nations in Africa, Asia and Latin America because of higher import prices and their weaker currencies.”
- 760 million people, primarily in Africa and Asia, still don’t have access to electricity, according to the IEA.⁴
- Reduced investment in fossil fuels disproportionately impacts the poor.⁵ “Reducing poverty is not feasible without access to cheap and reliable energy.”⁶
- Developing nations represent potential sources of business growth—or decline—for JPMorgan Chase & Co. (“JPM”) and the global economy.

SUPPORTING STATEMENT: JPM has made energy transition policies integral to its lending and underwriting activities:

- JPM joined the Net-Zero Banking Alliance in October 2021.⁷ The NZBA is a group of leading global banks, convened by the United Nations, committed to transitioning the economy to net-zero emissions by 2050.⁸
- JPM has pledged to finance and facilitate \$2.5 trillion in climate action and sustainable development by 2030.⁹
- JPM is targeting a 31% reduction in emissions from crude steel production and a 36% reduction from aviation by 2030.¹⁰
- JPM has promised to phase out “credit exposure” to the coal extraction industry by 2024.¹¹

¹ <https://www.dailymail.co.uk/sciencetech/article-12545855/Devastating-transition-green-energy-metal-mining-23-million-people-toxic-waste-rivers-polluted-farmland.html>

² <https://www.wsj.com/articles/americas-new-energy-crisis-11659153633>

³ <https://www.cnbc.com/2022/10/26/iea-developing-nations-the-number-one-casualty-of-the-energy-crisis.html>

⁴ <https://www.iea.org/reports/sdg7-data-and-projections/access-to-electricity>

⁵ <https://www.brookings.edu/articles/it-is-unfair-to-push-poor-countries-to-reach-zero-carbon-emissions-too-early/>

⁶ <https://thebreakthrough.org/journal/no-16-spring-2022/let-them-eat-carbon>

⁷ <https://www.bloomberg.com/news/articles/2021-10-08/jpmorgan-joins-net-zero-banking-alliance-with-emissions-pledge#xj4y7vzkg>

⁸ <https://www.unepfi.org/net-zero-banking/>

⁹ <https://www.jpmorganchase.com/news-stories/jpmc-to-advance-climate-action-and-sustainable-dev-goals>

¹⁰ <https://www.reuters.com/business/sustainable-business/jpmorgan-sets-2030-emissions-targets-polluting-industries-2022-12-22/>

¹¹ <https://www.cnbc.com/2020/02/25/jpmorgan-says-it-will-fund-200-billion-in-sustainable-deals-this-year.html>

- “The J.P. Morgan Development Finance Institution (JPM DFI) was established in January 2020 to mobilize finance in support of the UN Sustainable Development Goals in emerging economies.”

JPM’s climate policies appear to conflict with its commitment to the SDGs,¹² especially the first goal of “no poverty.”¹³

RESOLVED: Shareholders request the Board of Directors to oversee an audit that analyzes the impacts, both adverse and beneficial, of JPM’s climate transition policies regarding the economic and humanitarian effects on emerging nations, which rely heavily on – but have limited access to – fossil fuels and other non-“renewable” sources of power, such as nuclear. Perspectives from a full spectrum of respected economists, nongovernmental organizations, research firms, and public-interest groups could be considered. JPM should avoid one-sided political or viewpoint bias, with the auditor consulting specialists across a range of stances – including those who may rebut prevailing corporate media- and government-driven narratives on climate and energy. Among perspectives that may be considered include experts such as Alex Epstein, Michael Shellenberger, Bjorn Lomborg, Robert Bryce, Roy Spencer, John Christy, Roger Pielke, Jr., Richard Lindzen, and others.

A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be published on JPM’s website.

¹² <https://www.jpmorganchase.com/impact/sustainability/es-commitments>

¹³ <https://sdgs.un.org/goals>