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

DIVISION OF
CORPORATION FINANCE

March 25, 2022

Brian V. Breheny
Skadden, Arps, Slate, Meagher & Flom LLP

Re: JPMorgan Chase & Co. (the "Company")
Incoming letter dated January 11, 2022

Dear Mr. Breheny:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Mercy Investment Services, Inc. et al. for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the Company adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal transcends ordinary business matters and does not seek to micromanage the Company.

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2021-2022-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Sanford Lewis

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January 11, 2022

BY EMAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal Submitted by
Mercy Investment Services, Inc. and co-filers[1]

Ladies and Gentlemen:

This letter is submitted on behalf of JPMorgan Chase & Co., a Delaware corporation (the "Company"), pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company requests that the staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") not recommend enforcement action if the Company omits from its proxy materials for the Company's 2022 Annual Meeting of Shareholders (the "2022 Annual Meeting") the shareholder proposal and supporting statement (the "Proposal") submitted by Mercy

[1] The following shareholders have co-filed the Proposal: The Adrian Dominican Sisters; the American Baptist Home Mission Society; Benedictine Sisters of Cullman, Alabama, Inc.; Benedictine Sisters of Mount St. Scholastica; Benedictine Sisters of Virginia; The Congregation of St. Joseph; Dana Investment Advisors, on behalf of the Dana Large Cap Equity Fund; Daughters of Charity, Province of St. Louise; the Fonds Durocher; John C. Harrington; Monasterio Pan De Vida; Northwest Women Religious Investment Trust; the School Sisters of Notre Dame Cooperative Investment Fund; the Congregation of the Sisters of Saint Joseph of Peace; the Unitarian Universalist Association; United Church Funds; and Vancity Investment Management.

Investment Services, Inc. ("Mercy") and co-filers. Mercy and the co-filers are sometimes referred to collectively as the "Proponents."

This letter provides an explanation of why the Company believes it may exclude the Proposal and includes the attachments required by Rule 14a-8(j). In accordance with Section C of Staff Legal Bulletin 14D (Nov. 7, 2008) ("SLB 14D"), this letter is being submitted by email to shareholderproposals@sec.gov. A copy of this letter also is being sent to the Proponents as notice of the Company's intent to omit the Proposal from the Company's proxy materials for the 2022 Annual Meeting.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponents that if they submit correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the Company.

Background

The Company received an initial version of the Proposal on October 21, 2021, along with a cover letter from Mercy and a letter from Amalgamated Bank verifying Mercy's stock ownership in the Company. On October 29, 2021, the Company received a revised version of the Proposal. Copies of the initial Proposal, cover letter, revised Proposal and related correspondence are attached hereto as Exhibit A. In addition, the co-filers' submissions are attached hereto as Exhibit B.

Summary of the Proposal

The text of the resolution contained in the Proposal follows:

> **Resolved:** Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Basis for Exclusion

We hereby respectfully request that the Staff concur in the Company's view that it may exclude the Proposal from the proxy materials for the 2022 Annual Meeting pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations.

Analysis

A. The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to the Company's Ordinary Business Operations.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. As demonstrated below, the Proposal implicates both of these two central considerations.

1. The Proposal deals with the Company's ordinary business operations.

In accordance with the policy considerations underlying the ordinary business exclusion, the Staff has consistently permitted exclusion under Rule 14a-8(i)(7) of shareholder proposals relating to the products and services offered for sale by a company. *See, e.g.*, *JPMorgan Chase & Co.* (Mar. 26, 2021) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a study on the costs created by the company in underwriting multi-class equity offerings); *JPMorgan Chase & Co.* (Mar. 19, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report examining the "politics, economics and engineering for the construction of a sea-based canal through the Tehuantepec isthmus of Mexico," noting that the proposal "relates to the products and services offered for sale by the [c]ompany"); *Wells Fargo & Co.* (Jan. 28, 2013, *recon. denied* Mar. 4, 2013) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company report on the adequacy of the company's policies in addressing the social and financial impacts of its direct deposit advance lending service, noting that the proposal "relates to the products and services offered for sale by the company," and that "[p]roposals concerning the sale of particular products and services are generally excludable under rule 14a-8(i)(7)"); *JPMorgan Chase & Co.* (Mar. 16, 2010) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board implement a policy mandating that the Company cease its current practice of issuing refund anticipation loans, noting that the proposal "relate[s] to [the Company's] decision to issue refund anticipation loans" and that "[p]roposals concerning the sale of particular services are generally excludable under rule 14a-8(i)(7)"); *Bank of*

America Corp. (Feb. 21, 2007) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on policies against providing financial services that enable capital flight and result in tax avoidance, noting that the proposal "relat[es] to [the company's] ordinary business operations (i.e., sale of particular services)").

In particular, the Staff consistently has permitted exclusion under Rule 14a-8(i)(7) of proposals relating to a company's decisions with regard to financial products and services offered to particular types of customers. In *JPMorgan Chase & Co.* (Mar. 12, 2010), for example, the proposal requested a report assessing the impact of mountain top removal coal mining by the Company's clients on the environment and people of Appalachia and the adoption of a policy barring future financing of companies engaged in mountain top removal coal mining. The Company argued, in part, that the proposal related to its ordinary business matters because it sought "to determine the products and services the Company should offer, as well as those particular customers to whom the Company should provide its products and services." In permitting exclusion under Rule 14a-8(i)(7), the Staff noted that the proposal related to the Company's "decisions to extend credit or provide other financial services to particular types of customers" and that "[p]roposals concerning customer relations or the sale of particular services are generally excludable under rule 14a-8(i)(7)." *See also, e.g.*, *Anchor BanCorp Wisconsin Inc.* (May 13, 2009) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board adopt a new policy for the lending of funds to borrowers and the investment of assets after taking preliminary actions specified in the proposal, noting that the proposal related to the company's "ordinary business operations (i.e., credit policies, loan underwriting and customer relations)"); *JPMorgan Chase & Co.* (Feb. 21, 2006) (permitting exclusion under Rule 14a-8(i)(7) of a proposal recommending that the Company not issue first mortgage home loans, except as required by law, greater than four times a borrower's gross income, noting that the proposal related to the Company's "ordinary business operations (i.e., credit policies, loan underwriting and customer relations)").

In this instance, the proposal focuses primarily on the products and services offered for sale by the Company, and specifically, on the Company's decisions with regard to financing offered to particular types of customers, both of which are ordinary business matters. In this respect, the Proposal's resolved clause requests that the Company adopt a policy to "ensure that its financing does not contribute to new fossil fuel supplies" in a manner that would be inconsistent with emissions targets proposed by the International Energy Agency ("IEA"). In addition, the Proposal's supporting statement claims that the Company is the "leading financier of fossil fuels," and indicates that the Company's financing decisions "threaten the long-term portfolio value" of "diversified investors." When read together, the

Proposal's resolved clause and supporting statement demonstrate a clear focus on the Company's ordinary business matters.

In this regard, the Proposal's supporting statement also discusses risks to "the global economy" and that, as a result of fossil fuel emissions, "10% of total global economic value has been estimated to be lost by 2050." In addition, the supporting statement alleges that limiting global warming in the manner requested by the Proposal "could save $20 trillion globally by 2100," or risk "climate damages in the hundreds of trillions," which could harm the portfolios of investors. The Proposal also claims that support for fossil fuel development increases "credit, market, and operational risks" for the Company in its position as a bank. These statements emphasize the Proposal's focus on particular decisions made by the Company's management regarding the provision of financial products and services offered by the Company and the overall economic effect of those decisions on shareholders and other investors. Decisions with respect to the types of companies and industries that the Company offers financing to are at the heart of the Company's business as a global financial services company and are so fundamental to the Company's day-to-day operations that they cannot, as a practical matter, be subject to shareholder oversight. As a result, the Proposal is precisely the type that companies are permitted to exclude under Rule 14a-8(i)(7).

We note that a proposal may not be excluded under Rule 14a-8(i)(7) if it is determined to focus on a significant policy issue. The fact that a proposal may touch upon a significant policy issue, however, does not preclude exclusion under Rule 14a-8(i)(7). Instead, the question is whether the proposal focuses primarily on a matter of broad public policy versus matters related to the company's ordinary business operations. *See* 1998 Release; Staff Legal Bulletin No. 14E (Oct. 27, 2009). The Staff has consistently permitted exclusion of shareholder proposals where the proposal focused on ordinary business matters, even though it also related to a potential significant policy issue. As discussed above, in *JPMorgan Chase & Co.* (Mar. 12, 2010), the proposal requested, among other things, that the Company adopt a policy barring the financing of companies engaged in mountain top removal mining. In permitting exclusion under Rule 14a-8(i)(7), the Staff noted that "the proposal addresses matters beyond the environmental impact of [the Company's] project finance decisions, such as [the Company's] decisions to extend credit or provide other financial services to particular types of customers." *See also, e.g., PetSmart, Inc.* (Mar. 24, 2011) (permitting exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the potential significant policy issue of the humane treatment of animals, the proposal covered a broad scope of laws ranging "from serious violations such as animal abuse to violations of administrative matters such as record keeping."); *CIGNA Corp.* (Feb. 23, 2011) (permitting exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the potential significant policy issue of access to affordable health care, it also asked CIGNA to report on

expense management, an ordinary business matter); *Capital One Financial Corp.* (Feb. 3, 2005) (permitting exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the significant policy issue of outsourcing, it also asked the company to disclose information about how it manages its workforce, an ordinary business matter).

In this instance, even if the Proposal were viewed to touch on a potential significant policy issue, the Proposal's overwhelming concern with the possible economic impacts and business risks presented by the products and services offered for sale by the Company, and specifically, the Company's decisions with regard to providing financing to particular types of customers, demonstrates that the Proposal's focus is on ordinary business matters. Therefore, even if the Proposal could be viewed as touching upon a significant policy issue, its focus is on ordinary business matters.

Accordingly, consistent with the precedent described above, the Proposal may be excluded under Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

2. The Proposal seeks to micromanage the Company.

The Staff has consistently agreed that shareholder proposals attempting to micromanage a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment are excludable under Rule 14a-8(i)(7). *See* 1998 Release; *see also, e.g., JPMorgan Chase & Co.* (Mar. 22, 2019); *Royal Caribbean Cruises Ltd.* (Mar. 14, 2019); *Walgreens Boots Alliance, Inc.* (Nov. 20, 2018); *RH* (May 11, 2018); *Amazon.com, Inc.* (Jan. 18, 2018). As the Commission has explained, a proposal may probe too deeply into matters of a complex nature if it "involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies." *See 1998 Release.* Recently, in Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L"), the Staff explained that a proposal can be excluded on the basis of micromanagement based "on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management."

In particular, the Staff has permitted exclusion on the basis of micromanagement of shareholder proposals urging the adoption of policies substantially similar to the policy sought by the Proposal. *See, e.g., JPMorgan Chase & Co.* (Mar. 30, 2018) (permitting exclusion on the basis of micromanagement of a proposal that requested a report on the reputational, financial and climate risks associated with project and corporate lending, underwriting, advising and investing for tar sands production and transportation, noting that the proposal sought to "impose specific methods for implementing complex policies");

EOG Resources, Inc. (Feb. 26, 2018, *recon. denied* Mar. 12, 2018) (permitting exclusion on the basis of micromanagement of a proposal that requested the company adopt company-wide, quantitative, time-bound targets for reducing greenhouse gas emissions and issue a report discussing its plans and progress towards achieving those targets).

In this instance, the Proposal seeks to micromanage the Company by imposing specific methods for implementing complex policies and inappropriately limiting the discretion of the Company's management. It does so by requesting that the Company adopt a policy by the end of 2022 to ensure the Company's financing does not contribute to new fossil fuel supplies in a manner "inconsistent with the IEA's Net Zero Emissions by 2050 Scenario." The Proposal's supporting statement explains that this scenario "does not contemplate new fossil fuel development." The proposal seeks to impose this specific policy notwithstanding the Company's existing Paris-aligned financing commitment, thereby micromanaging the manner in which the Company carries out its business and its commitments. More specifically, the Company's Paris-aligned financing commitment aligns key sectors of the Company's financing portfolio, including its oil and gas portfolio, with the goals of the Paris Agreement, an important step toward accelerating the low-carbon energy transition and near-term actions that will set a path for achieving net-zero emissions by 2050. The Proposal seeks to impose a specific methods for implementing the Company's commitments, i.e., by prohibiting the Company from providing financing to any company that is directly or indirectly engaged in fossil fuel development.

Decisions concerning whether, when and how the Company provides financing to its existing and prospective customers and executes its commitments require complex business judgments by the Company's management. In this respect, in developing and implementing policies regarding financing decisions, the Company's management undertakes complex analyses of numerous factors, taking into account compliance and risk considerations; legal and regulatory factors; and the characteristics of the Company's products and services, among other matters. By prohibiting the Company's management from undertaking such analyses for an entire category of companies, the Proposal seeks to impose specific methods for implementing complex policies and, therefore, probes too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment. In addition, because the Company's management would be prevented from providing *any* financing products and services inconsistent with the IEA's emissions targets, without regard to circumstance and without any reasonable exceptions, the Proposal would improperly constrain the decision-making process of the Company's management. Moreover, the Proposal would require the Company's management to implement the policy "by the end of 2022," thereby providing the Company less than a year to implement a policy that could significantly impact its business. Even under the "measured approach" described in SLB 14L, the Proposal

would inappropriately limit management's discretion such that it micromanages the Company, as it affords no flexibility at all. The Proposal would, therefore, attempt to micromanage the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment.

Accordingly, consistent with the precedent described above, the Proposal may be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

Conclusion

On the basis of the foregoing, the Company respectfully requests the concurrence of the Staff that the Proposal may be excluded from the Company's proxy materials for the 2022 Annual Meeting. If you have any questions or would like any additional information regarding the foregoing, please do not hesitate to contact me at (202) 371-7180. Thank you for your prompt attention to this matter.

Very truly yours,

Brian V. Breheny

Enclosures

cc: John H. Tribolati
Corporate Secretary
JPMorgan Chase & Co.

Mary Minette
Director of Shareholder Advocacy
Mercy Investment Services, Inc.

Jillianne Lyon
Investor Advocates for Social Justice

David L. Moore Jr. CFA
Director of Investments
The American Baptist Home Mission Society

Sister Lynn Elisabeth Meadows, OSB
President
Benedictine Sisters of Cullman, Alabama, Inc.

Rose Marie Stallbaumer, OSB
Treasurer
Benedictine Sisters of Mount St. Scholastica
Monasterio Pan de Vida

Sister Andrea Westkamp, OSB
Treasurer
Benedictine Sisters of Virginia

Ann Roberts
ESG Analyst
Dana Investment Advisors

John C. Harrington
President and CEO
Harrington Investments, Inc.

Matthew J. Illian
Director of Responsible Investing
United Church Funds

Kelly Hirsch, CFA
Head of ESG
Vancity Investment Management

EXHIBIT A

(see attached)

October 21, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

Mercy Investment Services, Inc. ("Mercy"), the investment program of the Sisters of Mercy of the Americas, has long been concerned not only with the financial returns of its investments, but also with their social and ethical implications. We believe that demonstrated corporate responsibility in matters of the environment, and social and governance concerns fosters long-term business success. Mercy Investment Services, Inc., a long-term investor, is currently the beneficial owner of shares of JPMorgan Chase & Co.

Mercy is filing the enclosed proposal which requests that JPMorgan Chase adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring that its financing does not contribute to new fossil fuel supply — defined as exploration for and/or development of oil, gas, and coal resources or reserves beyond those already in production or approved by a final investment decision.

Mercy is the co-lead filer along with John Harrington for the enclosed proposal for inclusion in the 2022 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. Mercy has been a shareholder continuously since and including January 4, 2020, holding at least $2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, will be sent separately. One of the filers will attend the Annual Meeting to present the resolution as required by SEC rules.

We look forward to having productive conversations with the company. Per SEC requirements, we are available to meet with the company via teleconference on November 4 or November 5 at 1 pm ET respectively. Co-filers will participate if available or authorize us to engage with the Company on their behalf, within the meaning of Rule 14a-8(b)(iii)(B). Please direct all future correspondence regarding this proposal to me via the information below.

Best regards,

Mary Minette
Director of Shareholder Advocacy
[redacted]

[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring that its financing does not contribute to new fossil fuel supply — defined as exploration for and/or development of oil, gas, and coal resources or reserves beyond those already in production or approved by a final investment decision.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

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[1] https://www.businesswire.com/news/home/20210513005492/en/JPMorgan-Chase-Releases-Carbon-Reduction-Targets-for-Paris-Aligned-Financing-Commitment
[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

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[6] https://www.bankingonclimatechaos.org/

[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

From: Mary Minette [redacted]
Sent: Friday, October 29, 2021 9:32 AM
To: Scott, Linda E; [redacted]
Cc: Brianna Harrington
Subject: RE: JPM Mercy Shareholder proposal
Attachments: JPMorgan Chase proposal 2022 FINALRevised Clean.pdf

Dear Linda,
Thanks so much for your quick response. I haven't had a chance to check with John about his schedule; we will try and let you know today if November 5th will work for both of us.

I also wanted to let you know that we have just submitted a slightly amended version of our proposal to Mr. Tribolati; I'm attaching it so that you have a copy as well.

Thanks again,
Mary

Mary Minette
Director of Shareholder Advocacy
Mercy Investment Services
[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

[1] https://www.businesswire.com/news/home/20210513005492/en/JPMorgan-Chase-Releases-Carbon-Reduction-Targets-for-Paris-Aligned-Financing-Commitment
[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

EXHIBIT B

(see attached)

ADRIAN DOMINICAN SISTERS
[redacted]
Portfolio Advisory Board

November 22, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

The Adrian Dominican Sisters are concerned not only with the financial returns of its investments, but also with the social and ethical implications of its investments. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns fosters long-term business success. The Adrian Dominican Sisters are currently the beneficial owner of shares of the JPMorgan Chase & Co.

The enclosed resolution requests that JPMorgan Chase & Co. adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

The Adrian Dominican Sisters are co-filing the enclosed shareholder proposal for inclusion in the 2022 proxy statement with lead filers, John Harrington and Mercy Investment Services, Inc., in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The Adrian Dominican Sisters has been a shareholder continuously since and including January 4, 2020, holding at least $2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, is included in this packet. A representative of the filers will attend the Annual Meeting to present the resolution as required by SEC rules.

We will plan to participate in any meetings on this proposal to the extent we are available at the time selected by the lead filers and our company. Please direct **all future correspondence** regarding this proposal to Mary Minette of Mercy Investment Services, who is authorized to speak and negotiate on the Adrian Dominican Sisters behalf. Mary's contact information is: [redacted] We authorize John Harrington and Mercy Investment Services, Inc. to withdraw on our behalf if an agreement is reached.

Best regards,

Frances Nadolny, OP

Frances Nadolny, OP
Administrator
Adrian Dominican Sisters
www.pab.adriandominicans.org

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

[1] https://www.businesswire.com/news/home/20210513005492/en/JPMorgan-Chase-Releases-Carbon-Reduction-Targets-for-Paris-Aligned-Financing-Commitment
[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

American Baptist Home Mission Societies
Connect. Cultivate. Change.

[redacted]

December 7, 2021

Via mail and email to [redacted]

Mr. John H. Tribulate
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Re: Shareholder Proposal for 2022 Annual Shareholder Meeting

Dear Mr. Tribolati,

As socially responsible investors, the American Baptist Home Mission Society looks for social and financial accountability when investing in corporations. We are long-term shareholders in JPMorgan Chase & Co. and have appreciated the opportunity to engage with the company on climate concerns. In an effort to further discussion, we offer the enclosed proposal requesting a policy on JPMorgan Chase's climate financing.

The American Baptist Home Mission Society is submitting the attached proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of JPMorgan Chase & Co. (the "Company") for its 2022 annual meeting of shareholders. The American Baptist Home Mission Society is co-filing the proposal with lead filer Mercy Investment Services Inc. In its submission letter, Mercy Investment Services Inc. will provide dates and times of ability to meet. We designate the lead filer to meet initially with the Company but may join the meeting subject to our availability.

The American Baptist Home Mission Society has continuously beneficially owned, for at least three years as of the date hereof, at least $2,000 worth of the Company's common stock. Verification of this ownership is attached. The American Baptist Home Mission Society intends to continue to hold such shares through the date of the Company's 2022 annual meeting of shareholders.

Please address all future correspondence and communications regarding this proposal to Jillianne Lyon of Investor Advocates for Social Justice, located at [redacted] Ms. Lyon serves as a Consultant to the American Baptist Home Mission Society. She can be reached at [redacted] Please cc [redacted] on email communications.

Sincerely,

D. L. Moore

David L. Moore Jr. CFA
Director of Investments

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
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[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

BENEDICTINE SISTERS SACRED HEART MONASTERY in CULLMAN, ALABAMA

[redacted]

December 8, 2021

John H. Tribolati
Corporate Secretary
J.P. Morgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Email: [redacted]

Dear Mr. Tribolati:

I am writing you on behalf of **Benedictine Sisters of Cullman, Alabama, Inc.** to co-file the stockholder resolution on Fossil Fuel Financing. In brief, the proposal states: **RESOLVED**, shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

I am hereby authorized to notify you of our intention to co-file this shareholder proposal with Mercy Investment Services. I submit it for inclusion in the 2022 proxy statement for consideration and action by the shareholders at the 2022 annual meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. We are the beneficial owner, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of **136 shares** of J.P. Morgan Chase & Co. or $2,000 worth of the shares for at least **two years** as of the date hereof. We have continuously held shares of J.P. Morgan Chase & Co. common stock with a value of at least $2,000 for at least two years in market value and will continue to hold at least $2,000 of J.P. Morgan Chase & Co. stock through the next annual meeting. Verification of our ownership position will be sent by our custodian. A representative of the filers will attend the stockholders' meeting to move the resolution as required by SEC rules.

We truly hope that the company will be willing to dialogue with the filers about this proposal. We consider Mercy Investment Services the lead filer of this resolution. As such, Mercy Investment Services, serving as the primary filer, is authorized to act on our behalf in all aspects of the resolution, including negotiation and deputize them to withdraw the resolution on our behalf if an agreement is reached. Please note that the contact person for this resolution/proposal will be Mary Minette, of Mercy Investment Services who may be reached by phone [redacted] or by email: [redacted]

As a co-filer, however, we respectfully request direct communication from the company and to be listed in the proxy.

Sincerely,

Sister Lynn Elisabeth Meadows, OSB

Sister Lynn Elisabeth Meadows, OSB
President, Benedictine Sisters of Cullman, Alabama, Inc.

"WE BELIEVE THAT GOD IS HERE AND CAN BE FOUND, AND THAT A DIVERSITY OF PERSONS BONDED INTO UNITY SHOWS CHRIST TO A DIVIDED WORLD."

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

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[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
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These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

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[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

Mount St. Scholastica
BENEDICTINE SISTERS

November 30, 2021

John H. Tribolati
Corporate Secretary
J.P. Morgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Email: [redacted]

Dear Mr. Tribolati:

I am writing you on behalf of Benedictine Sisters of Mount St. Scholastica to co-file the stockholder resolution on Fossil Fuel Financing. In brief, the proposal states: **RESOLVED**, shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

I am hereby authorized to notify you of our intention to co-file this shareholder proposal with Mercy Investment Services. I submit it for inclusion in the 2022 proxy statement for consideration and action by the shareholders at the 2022 annual meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. We are the beneficial owner, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of 771 number of J.P. Morgan Chase & Co. or $2,000 worth of the shares for at least three years as of the date hereof. We have continuously held shares of J.P. Morgan Chase & Co. common stock with a value of at least $2,000 for at least one year in market value and will continue to hold at least $2,000 of J.P. Morgan Chase & Co. stock through the next annual meeting. Verification of our ownership position will be sent by our custodian. A representative of the filers will attend the stockholders' meeting to move the resolution as required by SEC rules.

We truly hope that the company will be willing to dialogue with the filers about this proposal. We consider Mercy Investment Services the lead filer of this resolution. As such, Mercy Investment Services, serving as the primary filer, is authorized to act on our behalf in all aspects of the resolution, including negotiation and deputize them to withdraw the resolution on our behalf if an agreement is reached. Please note that the contact person for this resolution/proposal will be Mary Minette, of Mercy Investment Services who may be reached by phone [redacted] or by email: [redacted]

As a co-filer, however, we respectfully request direct communication from the company and to be listed in the proxy.

Sincerely,

Rose Marie Stallbaumer OSB

Rose Marie Stallbaumer, OSB, Treasurer

[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

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These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

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We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

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Benedictine Sisters of Virginia

Clothed in Faith with the Gospel as our Guide

December 06, 2021

John H. Tribolati

Corporate Secretary

J.P. Morgan Chase & Co.

Office of the Secretary

4 New York Plaza

New York, NY 10004-2413

Email: [redacted]

Dear Mr. Tribolati:

I am writing you on behalf of Benedictine Sisters of Virginia to co-file the stockholder resolution on Fossil Fuel Financing. In brief, the proposal states: **RESOLVED**, shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

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We truly hope that the company will be willing to dialogue with the filers about this proposal. We consider Mercy Investment Services the lead filer of this resolution. As such, Mercy Investment Services, serving as the primary filer, is authorized to act on our behalf in all aspects of the resolution, including negotiation

[redacted]

and deputize them to withdraw the resolution on our behalf if an agreement is reached. Please note that the contact person for this resolution/proposal will be Mary Minette, of Mercy Investment Services who may be reached by phone [redacted] or by email: [redacted]

As a co-filer, however, we respectfully request direct communication from the company and to be listed in the proxy.

Sincerely,

Sister Andrea Westkamp, OSB

Sister Andrea Westkamp, OSB

Treasurer

[redacted]

Fossil Fuel Financing

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November 22, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

The Congregation of St. Joseph is concerned not only with the financial returns of its investments, but also with the social and ethical implications of its investments. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns fosters long-term business success. The Congregation of St. Joseph is currently the beneficial owner of shares of JPMorgan Chase & Co.

The enclosed resolution requests that JPMorgan Chase & Co. adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

The Congregation of St. Joseph is co-filing the enclosed shareholder proposal for inclusion in the 2022 proxy statement with lead filers, John Harrington and Mercy Investment Services, Inc., in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The Congregation of St. Joseph has been a shareholder continuously since April 7, 2010, holding at least $2000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, is included in this packet. A representative of the filers will attend the Annual Meeting to present the resolution as required by SEC rules.

We will plan to participate in any meetings on this proposal to the extent we are available at the time selected by the lead filers and our company. Please direct **all future correspondence** regarding this proposal to Mary Minette of Mercy Investment Services, who is authorized to speak and negotiate on Congregation of St. Joseph's behalf. Mary's contact information is: [redacted] We authorize John Harrington and Mercy Investment Services, Inc. to withdraw on our behalf if an agreement is reached.

Best regards,

Karen Watson, CFA Chief Investment Officer
Congregation of St. Joseph

That all may be one...

[redacted]

Fossil Fuel Financing

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DANA | Investment Advisors
THE WISE CHOICE

November 17, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Via e-mail [redacted]

Dear Mr. Tribolati:

Dana Investment Advisors, on behalf of the Dana Large Cap Equity Fund (the "proponent"), is submitting the attached proposal (the "proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of JPMorgan Chase (the "company") for its 2022 annual meeting of shareholders. Dana is co-filing the proposal with lead filer Mercy Investment Services. In its submission letter, Mercy Investments will provide dates and times of ability to meet. We designate the lead filer to meet initially with the company but may join the meeting subject to our availability.

The Dana Large Cap Equity Fund has continuously beneficially owned, for at least one year as of the date hereof, at least $25,000 worth of the company's common stock and intends to continue to hold such shares through the date of the company's 2022 annual meeting of shareholders.

If you have any questions or need additional information, I can be contacted at [redacted] or by e-mail at [redacted] Please confirm by e-mail that you have received this submission.

Sincerely,

Ann Roberts
ESG Analyst
[redacted]

Enclosures: verification letter, resolution

[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

[1] https://www.businesswire.com/news/home/20210513005492/en/JPMorgan-Chase-Releases-Carbon-Reduction-Targets-for-Paris-Aligned-Financing-Commitment
[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

DAUGHTERS of CHARITY

PROVINCE of ST. LOUISE

November 22, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

The Daughters of Charity, Province of St. Louise (Daughters of Charity) are concerned not only with the financial returns of its investments, but also with the social and ethical implications of its investments. We believe that a demonstrated corporate responsibility in matters of the environment, social and governance concerns fosters long-term business success. The Daughters of Charity are currently the beneficial owner of shares of JPMorgan Chase & Co.

The enclosed resolution requests that JPMorgan Chase & Co. adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

The Daughters of Charity are co-filing the enclosed shareholder proposal for inclusion in the 2022 proxy statement with lead filers, John Harrington and Mercy Investment Services, Inc., in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The Daughters of Charity have been a shareholder continuously since October 19, 2018, holding at least $2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, is included in this packet. A representative of the filers will attend the Annual Meeting to present the resolution as required by SEC rules.

We will plan to participate in any meetings on this proposal to the extent we are available at the time selected by the lead filers and our company. Please direct **all future correspondence** regarding this proposal to Mary Minette of Mercy Investment Services, who is authorized to speak and negotiate on the Daughter of Charity's behalf. Mary's contact information is: [redacted] We authorize John Harrington and Mercy Investment Services, Inc. to withdraw on our behalf if an agreement is reached.

Bestregards,

Sister Teresa George

Sister Teresa George, D.C.
Provincial Treasurer
Daughters of Charity, Province of St. Louise

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

[1] https://www.businesswire.com/news/home/20210513005492/en/JPMorgan-Chase-Releases-Carbon-Reduction-Targets-for-Paris-Aligned-Financing-Commitment
[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

FONDS DUROCHER / DUROCHER FUND

[redacted]

November 23, 2021

By email to: Office of the Secretary at [redacted]
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Corporate Secretary,

As shareholders of JPMorgan Chase & Company, the Fonds Durocher calls on the Company to align its financing activities with the global effort to contain climate change.

The Fonds Durocher is submitting the attached proposal, pursuant to the Securities and Exchange Commission's Rule 14a-8, to be included in the proxy statement of JPMorgan Chase & Company for its 2022 annual meeting of shareholders. The Fonds Durocher is co-filing the proposal with lead filers, Mercy Investment Services and Harrington Investments. In their submission letters, Mercy Investment Services and Harrington Investments will provide dates and times of ability to meet. We designate the lead filers to meet initially with the Company but may join the meeting subject to our availability.

The Fonds Durocher has continuously beneficially owned, for at least one year as of the date hereof, at least $2000 worth of the Company's common stock. Verification of this ownership is attached. The Fonds Durocher intends to continue to hold such shares through the date of the Company's 2022 annual meeting of shareholders.

The lead filers of the proposal can be contacted at [redacted] or [redacted] If you have questions for the Fonds Durocher, I can be contacted by email at [redacted]

Sincerely,

Bernard Voyer
Director

Encl.: Verification of ownership; Resolution

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

HARRINGTON
INVESTMENTS, INC.

October 21, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

I, John C. Harrington, am filing the enclosed proposal which requests that JPMorgan Chase adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring that its financing does not contribute to new fossil fuel supply.

I am the co-lead filer along with Mercy Investment Services, Inc. ("Mercy") for the enclosed proposal for inclusion in the 2022 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. I have been a shareholder continuously for over 3 years, since and including October 21, 2018, holding at least $2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian, a DTC participant, will be sent separately. One of the filers will attend the Annual Meeting to present the resolution as required by SEC rules.

We look forward to having productive conversations with the company. Per SEC requirements, we are available to meet with the company via teleconference on November 4 or November 5 at 1 pm ET respectively. Any co-filers will authorize us to engage with the Company in this meeting on their behalf; some may participate in the meeting if they are available. Please direct all future correspondence regarding this proposal to me via the information below.

Sincerely,

John C. Harrington

President and CEO

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

Monasterio Pan de Vida

[redacted]

November 30, 2021

John H. Tribolati
Corporate Secretary
J.P. Morgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Email: [redacted]

Dear Mr. Tribolati:

I am writing you on behalf of Monasterio Pan De Vida to co-file the stockholder resolution on Fossil Fuel Financing. In brief, the proposal states: **RESOLVED**, shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

I am hereby authorized to notify you of our intention to co-file this shareholder proposal with Mercy Investment Services. I submit it for inclusion in the 2022 proxy statement for consideration and action by the shareholders at the 2022 annual meeting in accordance with Rule 14-a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. We are the beneficial owner, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, of 134 number of J.P. Morgan Chase & Co. or $2,000 worth of the shares for at least three years as of the date hereof. We have continuously held shares of J.P. Morgan Chase & Co. common stock with a value of at least $2,000 for at least one year in market value and will continue to hold at least $2,000 of J.P. Morgan Chase & Co. stock through the next annual meeting. Verification of our ownership position will be sent by our custodian. A representative of the filers will attend the stockholders' meeting to move the resolution as required by SEC rules.

We truly hope that the company will be willing to dialogue with the filers about this proposal. We consider Mercy Investment Services the lead filer of this resolution. As such, Mercy Investment Services, serving as the primary filer, is authorized to act on our behalf in all aspects of the resolution, including negotiation and deputize them to withdraw the resolution on our behalf if an agreement is reached. Please note that the contact person for this resolution/proposal will be Mary Minette, of Mercy Investment Services who may be reached by phone [redacted] or by email: [redacted]

As a co-filer, however, we respectfully request direct communication from the company and to be listed in the proxy.

Sincerely,

Rose Marie Stallbaumer OSB

Rose Marie Stallbaumer, OSB, Investment Representative

[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

Sisters of Saint Joseph of Peace

[redacted]

December 6, 2021

By email to: Office of the Secretary at [redacted]
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Corporate Secretary,

As shareholders of JPMorgan Chase & Company, the Northwest Women Religious Investment Trust calls on the Company to align its financing activities with the global effort to contain climate change.

The Northwest Women Religious Investment Trust is submitting the attached proposal, pursuant to the Securities and Exchange Commission's Rule 14a-8, to be included in the proxy statement of JPMorgan Chase & Company for its 2022 annual meeting of shareholders. The Northwest Women Religious Investment Trust is co-filing the proposal with lead filers, Mercy Investment Services and Harrington Investments. In their submission letters, Mercy Investment Services and Harrington Investments will provide dates and times of ability to meet. We designate the lead filers to meet initially with the Company but may join the meeting subject to our availability.

The Northwest Women Religious Investment Trust has continuously beneficially owned, for at least one year as of the date hereof, at least $2000 worth of the Company's common stock. Verification of this ownership is attached. The Northwest Women Religious Investment Trust intends to continue to hold such shares through the date of the Company's 2022 annual meeting of shareholders.

The lead filers of the proposal can be contacted at [redacted] If you have questions for the Northwest Women Religious Investment Trust please contact: Alexis Fleming at [redacted]

Sincerely,

A. Fleming

Alexis Fleming
Northwest Women Religious Investment Trust

Encl.: Verification of ownership
Resolution

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

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[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

School Sisters of Notre Dame Cooperative Investment Fund

[redacted]

December 1, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

As socially responsible investors, the *School Sisters of Notre Dame Cooperative Investment Fund* looks for social, ethical, and financial accountability when investing in corporations. We are long-term shareholders in J P Morgan Chase & Co. and have appreciated our engagements with the Company over the years. We are now concerned about how J P Morgan Chase is financing fossil fuels. Therefore, we are now co filing, with Mercy Investment Services, Inc. and John Harrington, this proposal on Fossil Fuel Financing.

I submit the enclosed proposal for inclusion in the 2022 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. The *School Sisters of Notre Dame Cooperative Investment Fund* has been a shareholder continuously since and including January 4, 2020, holding at least $2,000 in market value and will continue to invest in at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. The verification of ownership by our custodian is attached. One of the filers will attend the Annual Meeting to present the resolution as required by SEC rules.

The School Sisters of Notre Dame are joining other shareholders and submitting the enclosed proposal which requests that JPMorgan Chase adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring that its financing does not contribute to new fossil fuel supply — defined as exploration for and/or development of oil, gas, and coal resources or reserves beyond those already in production or approved by a final investment decision.

We look forward to having productive conversations with your company, December 7th as we join Mercy Investment Services within the meaning of Rule 14a-8 (iii)(B). Please direct all future correspondence regrading this proposal to Mary Minette [redacted]

Sincerely,

Ethel Howley, SSND

Ethel Howley, SSND
Social Responsibility Resource Person
[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

[6] https://www.bankingonclimatechaos.org/
[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

Sisters of Saint Joseph of Peace

[redacted]

December 6, 2021

By email to: Office of the Secretary at [redacted]
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Corporate Secretary,

As shareholders of JPMorgan Chase & Company, the Congregation of the Sisters of St. Joseph of Peace call on the Company to align its financing activities with the global effort to contain climate change.

The Congregation of the Sisters of St. Joseph of Peace is submitting the attached proposal, pursuant to the Securities and Exchange Commission's Rule 14a-8, to be included in the proxy statement of JPMorgan Chase & Company for its 2022 annual meeting of shareholders. The Congregation of the Sisters of St. Joseph of Peace is co-filing the proposal with lead filers, Mercy Investment Services and Harrington Investments. In their submission letters, Mercy Investment Services and Harrington Investments will provide dates and times of ability to meet. We designate the lead filers to meet initially with the Company but may join the meeting subject to our availability.

The Congregation of the Sisters of St. Joseph of Peace has continuously beneficially owned, for at least one year as of the date hereof, at least $2000 worth of the Company's common stock. Verification of this ownership is attached. The Congregation of the Sisters of St. Joseph of Peace intends to continue to hold such shares through the date of the Company's 2022 annual meeting of shareholders.

The lead filers of the proposal can be contacted at [redacted] If you have questions for the Congregation of the Sisters of St. Joseph of Peace, I can be contacted by email at [redacted]

Sincerely,

A. Fleming

Alexis Fleming
Congregation of Sisters of St. Joseph of Peace

Encl.: Verification of ownership
Resolution

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

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Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

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We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

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[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

UNITARIAN UNIVERSALIST ASSOCIATION

Sent by email to: [redacted]

November 9, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

The Unitarian Universalist Association ("UUA"), a long-time shareowner of JPMorgan Chase & Co. (the "Company"), is hereby submitting the attached proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of the Company for its 2022 annual meeting of shareholders. The UUA is co-filing this resolution with Mercy Investment Services and John Harrington. The resolution requests that JPMorgan Chase adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring that its financing does not contribute to new fossil fuel supply — defined as exploration for and/or development of oil, gas, and coal resources or reserves beyond those already in production or approved by a final investment decision.

The Unitarian Universalist Association ("UUA") is a faith community of more than 1000 self-governing congregations that brings to the world a vision of religious freedom, tolerance, and social justice. With roots in the Jewish and Christian traditions, Unitarianism and Universalism have been forces in American spirituality from the time of the first Pilgrim and Puritan settlers. The UUA is also an investor with an endowment valued at approximately $267 million, the earnings from which are an important source of revenue supporting our work in the world. The UUA takes its responsibility as an investor and shareowner very seriously. We view the shareholder resolution process as an opportunity to bear witness to our values at the same time that we enhance the long-term value of our investments.

The UUA, through its Unitarian Universalist Common Endowment Fund, has been a shareholder continuously since and including January 4, 2020, holding at least $2,000 in market value and will continue to hold at least the requisite number of shares for proxy resolutions through the annual shareholders' meeting. Verification of this ownership will be sent under separate cover.

The UUA defers to the lead filer, Mercy Investment Services, in all decision-making regarding this proposal. Please contact Mary Minette at [redacted] with any questions or to arrange for a meeting. If need be, I can reached directly at [redacted] or [redacted]

Very truly yours,

Timothy Brennan,
Special Advisor on Responsible Investing

cc: Andrew McGeorge, Treasurer & CFO, UUA
Mary Minette, Mercy Investment Services

Enclosure: Shareholder resolution

UNITARIAN UNIVERSALIST ASSOCIATION

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

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[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

UNITED CHURCH FUNDS

Via email

November 22 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Dear Mr. Tribolati:

United Church Funds (UCF) is filing the enclosed proposal which requests that JPMorgan Chase adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring that its financing does not contribute to new fossil fuel supply — defined as exploration for and/or development of oil, gas, and coal resources or reserves beyond those already in production or approved by a final investment decision.

UCF is co-filing the proposal with the lead filer Mercy Investment Services. In its submission, lead filer will provide dates and times of availability to meet. We designate the lead filer to meet initially but may join the meeting subject to availability. Mercy Investment Services is authorized to withdraw this resolution on our behalf.

UCF has continuously beneficially owned, for at least a year as of November 12, 2021, at least $25,000 worth of the Company's common stock. Verification of this ownership is attached. UCF intends to continue to hold such shares through the Company's 2022 annual meeting of shareholders.

Sincerely,

Matthew J. Illian
Director of Responsible investing
[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
[5] https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html

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[7] https://www.teenvogue.com/story/banks-fund-fossil-fuels

Vancity Investment Management

[redacted]

December 3, 2021

Mr. John H. Tribolati
JPMorgan Chase & Co.
Office of the Secretary
4 New York Plaza
New York, NY 10004-2413

Via Email: [redacted]

Dear Corporate Secretary:

Vancity Investment Management (VCIM) is a socially responsible investment manager based in Vancouver, Canada. VCIM is responsible for determining how companies held in our portfolios are addressing their exposure to specific environmental, social and governance (ESG) risk. VCIM takes a pro-active approach and encourages greater disclosure of company policies and practices aimed at minimizing ESG risk. The VCIM Global Equity Fund is a shareholder in JPMorgan Chase and has continuously been a shareholder in the company for over one year.

I am hereby authorized to notify you of our intention to co-file the enclosed shareholder resolution on the VCIM Global Equity fund. We are co-filing this resolution with co-lead filers, Mercy Investment Services, Inc. and John Harrington. In both their submission letters, the co-lead filers have provided dates and times of ability to meet. We designate the co-lead filers to meet initially with the Company, but may join the meeting subject to our availability.

I hereby submit the resolution for inclusion in the proxy statement in accordance with Rule 14a-8 of the general rules and regulations of the Securities and Exchange Act of 1934.

The VCIM Global Equity Fund is the beneficial owner of 19,182 shares of JPMorgan & Chase common stock and has continuously held sufficient shares for more than one year prior to this date. The fund intends to continue holding sufficient shares through the date of the Shareholder Meeting.

A letter providing proof of ownership can be provided upon request.

Sincerely,

Kelly Hirsch, CFA
Head of ESG

[redacted]

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in which the company takes available actions to help ensure that its financing does not contribute to new fossil fuel supplies that would be inconsistent with the IEA's Net Zero Emissions by 2050 Scenario.

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[2] https://www.iea.org/reports/net-zero-by-2050 p 21
[3] https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
[4] https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
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SANFORD J. LEWIS, ATTORNEY

PO Box 231
Amherst, MA 01004-0231
413 549-7333
sanfordlewis@strategiccounsel.net

February 7, 2022
Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to JP Morgan Chase & Co. Regarding Fossil Fuel Lending
on Behalf of John C. Harrington and others

Ladies and Gentlemen:

John C. Harrington (the "Proponent") is beneficial owner of common stock of JP Morgan Chase & Co. (the "Company") and has submitted a shareholder proposal (the "Proposal") to the Company along with other co-filers[1]. I have been asked by the Proponent to respond to the letter dated January 11, 2021 ("Company Letter") sent to the Securities and Exchange Commission by Brian Breheny of Skadden Arps. In that letter, the Company contends that the Proposal may be excluded from the Company's 2022 proxy statement. A copy of this letter is being emailed concurrently to Mr. Breheny.

SUMMARY

The Proposal (attached as an Appendix) asks the Board of Directors of JPMorgan Chase ("JPMC") to adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring its financing does not contribute to new fossil fuel supply - defined as exploration for and/or development of oil, gas, and coal resources or reserves beyond those already in production or already approved by a final investment decision.

The Company asserts that the Proposal may be excluded under Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations. However, when examining the Proposal against the Commission and Staff's guidance on shareholder proposals, including ordinary business and micromanagement, it is evident that the proposal addresses a transcendent policy issue and does not micromanage or otherwise inappropriately address the Company's ordinary business.

The Proposal benchmarks company activities against the most prominent and credible applicable international guidance - the International Energy Agency's net zero roadmap and the UNEP FI recommendations regarding what a financial institution's "credible net zero commitments" necessitate. In

[1] Co-lead filer Mercy Investment Services with cofilers, The Adrian Dominican Sisters; the American Baptist Home Mission Society; Benedictine Sisters of Cullman, Alabama, Inc.; Benedictine Sisters of Mount St. Scholastica; Benedictine Sisters of Virginia; The Congregation of St. Joseph; Dana Investment Advisors, on behalf of the Dana Large Cap Equity Fund; Daughters of Charity, Province of St. Louise; the Fonds Durocher; Monasterio Pan De Vida; Northwest Women Religious Investment Trust; the School Sisters of Notre Dame Cooperative Investment Fund; the Congregation of the Sisters of Saint Joseph of Peace; the Unitarian Universalist Association; United Church Funds; and Vancity Investment Management.

asking the Company to adopt a policy on the financing of new fossil fuel supplies in alignment with IEA and UNEP FI benchmarks, the Proposal addresses an issue that does not probe too deeply for investors, but rather provides an appropriate opportunity for investors to weigh in on key risks and strategy, and to encourage the Company to establish an internal strategy in alignment with its public statements on climate.

Although the Company has made various climate commitments, the Company also has notoriety as the *leading financier* of fossil fuels companies. Numerous international assessments have concluded that current financing of new fossil fuel supplies is on a trajectory that overshoots the amount of fossil fuels that need to stay in the ground to contain global temperature increase to 1.5°C. The Company's current financing policies as the leading financier of fossil fuels appear inconsistent with the global goals and its own public statements.

Implications for its investors include risks to the Company's finances such as stranded assets, credit risk and reputational risk, systemic and portfolio-wide risk, and special risks related to due diligence and enforcement exposure for ESG investors and fiduciaries. Under current emission trajectories, estimates indicate that climate change will depress 10% of total global economic value by 2050.[2] This is a direct risk to the Company's own financial future, and of reasonable concern to investors. The Company also faces reputational risk to the extent it espouses a "net zero" commitment but fails to adopt credible constraints on funding of new fossil fuel supply.

Furthermore, many investors are also actively monitoring and engaging on systemic and portfolio-wide risk. The company has a major role in the global financing of new fossil fuel supplies. Therefore, whether the company funds new fossil fuel development is of appropriate concern to investors who seek to align their portfolios with the 1.5° scenario. ESG investors will reasonably seek to ensure that portfolio companies like JPMorgan Chase are engaging in aligned activities. Despite the Company's focus on financing clean energy and demand related activities, ample evidence suggests that in the absence of the requested commitment, the company's activities will continue to be misaligned with global goals to curtail climate change. Finally, with a focus on the veracity of ESG claims by issuers like JPMorgan Chase and by investment fiduciaries who would vote on this proposal, the Proposal supports the necessary due diligence of investors to ensure that any ESG or climate alignment claims are credible and not subject to enforcement action by the SEC or private parties.

The wording of the proposal is not too specific or constraining of board and management discretion. The Proposal leaves ample flexibility for the Board to identify the means of implementation: what kind of *policy* does the board, in its discretion, believe is appropriate *to ensure that the company is not contributing to new fossil fuel supplies* inconsistent with the referenced international guidance?

UNEP FI in its credible net zero commitments guidance notes that there are multiple possible pathways to credible alignment by financial institutions including an absolute contraction approach, an economic intensity-based approach, a capacity or technology-based approach, a portfolio coverage approach and sectoral alignment. *Whichever of these pathways the board and management should choose, new fossil fuel development is excluded – it is not consistent with 1.5° C alignment.*

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[2] https://www.sGoodwissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html

Contrary to the Company Letter, the Proposal does not prescribe or request divestment from fossil fuel companies. Rather, the Proposal only seeks to ensure that the Company's financing does not support new fossil fuel development so that it may remain consistent with their public climate commitments.

Therefore, the Proposal raises significant policy issues appropriate for shareholder deliberation, does not micromanage, and is not excludable under Rule 14a-8(i)(7).

BACKGROUND

In the global effort to mitigate climate change, many countries and corporations have committed to achieving net zero by 2050 and to align with the Paris Agreement climate goals of constraining global temperature increase. JPMorgan Chase is among the banks that have made some form of commitment to "net zero by 2050."[3] While corporate and national climate pledges to achieve net zero by 2040 or 2050 proliferate, most actions and policies from both nations and companies do not align with the pledges or with a 1.5° C scenario. Despite the pledges, GHG emissions continue to rise, and the current amount of planned fossil fuel development would exceed the projected "carbon budget" to constrain global temperature increases.

Since the concept was introduced in 2011 by the nongovernmental organization Carbon Tracker, the carbon budget reflects the amount of fossil fuels that can enter global commerce without violating global goals to contain temperature increase. In 2021, a prominent research report published in *Nature* indicated that, for a 50% chance of global temperature increase to remain below 1.5 °C — the aspirational goal of the 2015 Paris agreement — the world cannot emit more than 580 gigatonnes of carbon dioxide before 2100. As part of the report, researchers calculated that 89% of coal reserves, 58% of oil reserves and 59% of gas reserves must remain unextracted to ensure that not more than 580 gigatonnes of carbon dioxide is emitted before 2100. The report notes that their estimate of the carbon budget:

> …implies that most regions must reach peak production now or during the next decade, rendering many operational and planned fossil fuel projects unviable. We probably present an underestimate of the production changes required, because a greater than 50 per cent probability of limiting warming to 1.5 °C requires more carbon to stay in the ground and because of uncertainties around the timely deployment of negative emission technologies at scale.[4]

Currently, neither corporate nor national commitments align with this carbon budget projection and with the amount of fossil fuels that must remain in the ground to meet it. In its "Net Zero by 2050" roadmap, the International Energy Agency (IEA) reported that current climate pledges would still create 22 billion tons of CO2 emissions before 2050. Emissions consistent with a temperature rise of 2.1°C by 2100.[5] Therefore, to reach the collective 1.5° C goal, more aggressive policies would need to be implemented.

The financial sector, including JPMorgan Chase as the leading financier of fossil fuel development, faces a significant challenge to redirect financial flows and align with the net zero/1.5°C scenario.

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[3] *See* Environmental and Social Policy Framework, *found at* https://www.citigroup.com/citi/sustainability/data/Environmental-and-Social-Policy-Framework.pdf

[4] Welsby, D., Price, J., Pye, S. *et al.* Unextractable fossil fuels in a 1.5 °C world. *Nature* **597,** 230–234 (2021). https://doi.org/10.1038/s41586-021-03821-8

[5] *See* Net Zero by 2050—A Roadmap for the Global Energy Sector*, found at*. https://iea.blob.core.windows.net/assets/deebef5d-0c34-4539-9d0c-10b13d840027/NetZeroby2050-ARoadmapfortheGlobalEnergySector_CORR.pdf

The United Nations Environmental Program Finance Initiative ("UNEP FI"), and IEA have identified the containment of supply growth above the world's carbon budget as a critical factor in corporate and government policies to achieve the global goals. As mentioned in the proposal, the UNEP FI issued recommendations for credible net-zero commitments from financial institutions, which included a benchmark of credibility for financial institutions that have made net-zero commitments to "align as soon as possible":

> A financial institution establishing a net-zero commitment should begin aligning with the required assumptions and implications of IPCC 1.5°C no/low overshoot pathways as soon as possible. This is because the pathways require immediate actions to have a realistic chance of limiting warming to 1.5°C. ***This would include, for example, the immediate cessation of any new fossil fuel investments, and rapid decommissioning of remaining fossil fuel production as indicated by the scenarios.***[Emphasis added]

The UNEP FI also notes in its recommendations that "All no/low overshoot scenarios indicate an immediate reduction in fossil fuels, *signaling that investment in new fossil fuel development is not aligned with 1.5°C."* [Emphasis added]

Banks and fossil fuel expansion

The severity of the climate crisis requires that banks must urgently take steps to disengage from financing all business activities and projects that continue the world's reliance on fossil fuels. The world's top three financiers of fossil fuel expansion are all based in the United States. JPMorgan Chase is the number one, having financed fossil fuel expansion with a total of USD 143 billion since the signing of the Paris Climate Agreement (2016-2020). JPMorgan Chase is followed by Citi (USD 108 billion) and Bank of America (USD 93 billion).

Despite its climate pledges, JPMorgan Chase remains the largest financier of the fossil fuel sector, and continues to fund new fossil fuel development. The Company's opposition to this proposal provides ample evidence that the company is not actually planning on taking actions necessary to meet the UN credibility benchmarks.

The Proposal offers investors a key opportunity to voice their opinion on the issue and in doing so, advise the company as to whether investors believe the Company should meet this IEA/UNEP FI credibility standard.

ANALYSIS

RULE 14a-8(i)(7)

The Company Letter asserts that the Proposal addresses the ordinary business of the Company. However, when examining the Proposal against the Commission and Staff's guidance on shareholder proposals, including ordinary business and micromanagement, it is evident that the proposal addresses a transcendent policy issue and does not micromanage or otherwise inappropriately address the Company's ordinary business.

Ordinary Business According to the Commission

In 1998, the Commission issued a rulemaking release ("1998 Release") updating and interpreting the ordinary business rule, by both reiterating and clarifying past precedents. That release was the last time that the Commission discussed and explained at length the meaning of the ordinary business exclusion. The Commission summarized *two central considerations* in making ordinary business determinations – whether the proposal addresses a significant social policy issue, and whether it micromanages.

First, the Commission noted that certain tasks were generally considered so fundamental to management's ability to run a company on a day-to-day basis that they could not be subject to direct shareholder oversight (e.g., the hiring, promotion, and termination of employees, as well as decisions on retention of suppliers, and production quality and quantity). However, proposals related to such matters but *focused on sufficiently significant social policy issues* (i.e. significant discrimination matters) generally would not be excludable.

Second, proposals could be excluded to the extent they seek to "micromanage" a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would be unable to make an informed judgment. This concern did not, however, result in the exclusion of all proposals seeking detailed timeframes or methods. As the 1998 Release indicated:

> Timing questions, for instance, could involve significant policy where large differences are at stake, and proposals may seek a reasonable level of detail without running afoul of these considerations.

Proposals that passed the first prong but for which the wording involved some degree of micromanagement could be subject to a case-by-case analysis of *whether the proposal probes too deeply* for shareholder deliberation. The Staff's interpretation of micromanagement has evolved over the years, most recently articulated in the November 3, 2021 Staff Legal Bulletin 14L.[6] To assess micromanagement going forward, the bulletin notes that the Staff:

> will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management. **We would expect the level of detail included in a shareholder proposal to be consistent with that needed to enable investors to assess an issuer's impacts, progress towards goals, risks or other strategic matters appropriate for shareholder input.**
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> Additionally, in order to assess whether a proposal probes matters "too complex" for shareholders, as a group, to make an informed judgment, we may consider the sophistication of investors generally on the matter, the availability of data, and the robustness of public discussion and analysis on the topic. The staff may also consider references to well-established national or international frameworks when assessing proposals related to disclosure, target setting, and timeframes as indicative of topics that shareholders are well-equipped to evaluate.

[6] The Staff Bulletin notes an evolution in the staff's thinking. In rescinding prior staff legal bulletins, the bulletin notes that: we believe that the rescinded guidance may have been taken to mean that any limit on company or board discretion constitutes micromanagement.

> This approach is consistent with the Commission's views on the ordinary business exclusion, which is designed to preserve management's discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters.
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> While the analysis in this bulletin may apply to any subject matter, many of the proposals addressed in the rescinded SLBs requested companies adopt timeframes or targets to address climate change that the staff concurred were excludable on micromanagement grounds. Going forward we would not concur in the exclusion of similar proposals that suggest targets or timelines so long as the proposals afford discretion to management as to how to achieve such goals.

Significant policy issue analysis and "products and services"

The Company Letter inaccurately asserts that "the Staff has consistently permitted exclusion under Rule 14a-8(i)(7) of shareholder proposals relating to the products and services offered for sale by a company.

Contrary to the Company's assertion, the Staff has made it clear in legal bulletins and in precedents that proposals directed to "nitty-gritty" aspects of the Company's business, including products or services offered, are not excludable to the extent they are focused on significant policy issues and do not attempt to micromanage business relationships. Thus, the current Proposal, which does not instruct the Company as to which clients it should serve but only seeks a policy for lending and underwriting that is consistent with global benchmarks and Company's stated commitments and targets, does not impinge on the ordinary business of the company in a manner that renders it excludable.

The Proposal does not attempt to dictate lending or underwriting services or customers. Although such decisions are "nitty-gritty" for the company, where the focus of the proposal is entirely on a significant policy issue, the fact that it may touch on issues related to products and services offered does not cause it to be excludable. Staff Legal Bulletin 14H, October 22, 2015, made this clear:

> [T]he Commission has stated that proposals focusing on a significant policy issue are not excludable under the ordinary business exception "because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote." [Release No. 34-40018] Thus**, a proposal may transcend a company's ordinary business operations even if the significant policy issue relates to the "nitty-gritty of its core business**." [emphasis added] .

The potential for the proposal to touch on a company's products or services is one such "nitty-gritty" issue that does not lead to exclusion when the proposal clearly focuses on a significant policy issue facing the company. The same type of ordinary business objection was unsuccessfully asserted in *J.P. Morgan Chase (February* 28, 2020) where the proposal requested that the Company issue a report outlining if and how it intends to reduce the GHG emissions associated with its lending activities in alignment with the Paris Agreement's goal of maintaining global temperature rise below 1.5 degrees Celsius. The Company had argued that the proposal impermissibly addressed the offering of products and services, an ordinary business matter. As in the present case, the company's argument cited the same cases in which the

proposal touched on products and services but lacked an overriding significant policy issue,[7] or where the proposal sought to dictate outcomes at the company in offering of particular products or services.[8] The Staff rejected the ordinary business argument.

Since the current Proposal raises the significant policy issue of climate change and does not dictate outcomes, the Proposal is distinguishable from the cases raised by the Company and is not excludable on this basis. The Staff has long determined that proposals addressing climate risk are appropriate for financial services companies so long as such proposals do not delve into the individual application of such policies to customers. For instance, in *PNC Financial Services Group, Inc.* (February 13, 2013) the proposal requested that the Board report to shareholders PNC's assessment of the greenhouse gas emissions resulting from its lending portfolio and its exposure to climate change risk in lending, investing, and financing activities. The Staff determined that the proposal was not excludable because it addressed the significant policy issue of climate change. PNC had argued, as the Company does here, that the proposal micromanaged the business or related to products and services. The Staff rejected the claim.

Significantly, the focus of a proposal on a policy level rather than directing the Company's relations with particular suppliers or customers is sufficient to avoid the products and services exclusion. For example, in *TJX Companies (*April 9, 2020) in the proposal requested that the board commission an independent analysis of any material risks of continuing operations without a company-wide animal welfare policy or restrictions on animal-sourced products associated with animal cruelty. The Company objected that the proposal was excludable as relating to sales of particular products, but the proponent effectively argued that the focus of the proposal on a clear, significant policy issue for the company caused the proposal to transcend ordinary business.

This followed a long line of prior staff decisions. It is well-established that a proposal is not excludable merely because it deals with the sale of a company's products or services where significant social policy issues are implicated--as they are here.

The current proposal is in some ways similar to the proposal in *J.P. Morgan Chase (*March 13, 2020) where the proposal asked JPMorgan Chase to describe how it plans to respond to rising reputational risks for the Company and questions about its role in society related to its involvement in Canadian oil sands production, oil sands pipeline companies, and Arctic oil and gas exploration and production. This was not excludable as focused on ordinary business despite a similar relationship to products and services as in the current proposal. One might ask whether the current proposal's more direct request to adopt a policy alters this relationship. It is clear that it does not — regardless of whether a proposal is cast as a request for a report, or a request for policies, a proposal should abide by the requirements of the rule to state the request in an advisory manner and state as clearly as possible what investors are requesting.

In fact, we see the same logic applied in *Bank of America Corporation* (February 23, 2006) where the proposal requested that the board develop higher standards for the securitization of subprime loans to preclude the securitization of loans involving predatory practices. Despite the focus on establishment of a *particular policy*, the staff nevertheless rejected the ordinary business/products and services argument. If

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[7] *Hewlett-Packard Co.* (Jan. 23, 2015), in which the Staff concurred with the exclusion of a proposal requesting that the board provide a report on the company's sales of products and services to certain foreign entities, with the Staff noting that the proposal related to ordinary business and "does *not focus* on a significant policy issue" (emphasis added).

[8] S*ee also Bank of America Corp. (Trillium)* (Feb. 24, 2010), the Staff concurred in the exclusion under Rule 14a-8(i)(7) of a proposal seeking analysis of the company's implementation of its mountain top removal policy "beyond environmental issues", i.e., whether to extend credit to particular customers.

a proposal addresses a transcendent social policy issue, and even if it addresses products and services, shareholders are expected to describe it as clearly as possible in terms of what they would like the company to do, as was done in the precedent and the current proposal.

Even a proposal that expressly seeks to ban a particular product or service of a company, a more restrictive request than the current proposal, may transcend ordinary business if it clearly focuses on a significant policy issue relevant to the company. For example, in *Amazon.com Inc*. (March 28, 2019) a proposal that was clearly directed toward a company product was found non-excludable. The proposal requested that the board prohibit sales of facial recognition technology to government agencies unless the board concludes, after an evaluation using independent evidence, that the technology does not cause or contribute to actual or potential violations of civil and human rights. An ordinary business claim similar to the Company Letter on the current Proposal was rejected, and rejected again on request for reconsideration. The proponent in opposition to the request for reconsideration wrote: "The Company's Amazon Web Services (AWS) segment is the leading cloud computing company, and is integrating facial recognition software to its services, which the Proposals assert is being done at risk to civil liberties, privacy and public trust in the Company's products and services."

Similarly, proposals seeking to halt the sale of food containing GMO's have been found not to be excludable as addressing ordinary business because of the transcendent policy issue - public concern about the use of and safety of GMO's. Relevant to the present matter is *Quaker Oats Company* (March 28, 2000), in which the proposal requested that the board (1) adopt a policy of removing genetically engineered crops, organisms, or products thereof from all products sold or manufactured by Quaker, where feasible, until long-term testing has shown that they are not harmful to humans, animals, and the environment, with the interim step of labeling and identifying these products, and (2) report to shareholders by August 2000. The Staff was unable to concur that the company was entitled to exclude the proposal in reliance on Rule 14a-8(i)(7), due to the presence of significant policy issues. The context -- a lack of proven safety -- is relevant in the present instance as well.

Another example was the request of *Yahoo! Inc.* (April 5, 2011) where the company requested permission to omit a shareholder proposal from its 2011 proxy materials, which directed the company to formally adopt human rights principles to guide its business in China and other repressive countries. Despite the potential impact on products and services offered in China and elsewhere, the Staff concluded that the proposal focused on the significant policy issue of human rights and was not excludable under Rule 14a-8(i)(7).

Analogous to the current proposal was the proposal in *Bank of America Corporation* (February 22, 2008) on implementation of the equator principles. Proposal requested a report to "describe and discuss how Bank of America's implementation of the Equator Principles has led to improved environmental and social outcomes in its project finance transactions." Bank of America Corporation argued among other things that the proposal related to the Company's ordinary business operations, namely the extension of credit and credit decisions. The staff was unable to accept these views and concluded that exclusion of the proposal from proxy materials was not appropriate.

Similarly, in *Bank of America (*February 26, 2009) the proposal directly focused on requesting a report to shareholders evaluating with respect to practices commonly deemed to be predatory, the company's credit card marketing, lending and collection practices and the impact these practices have on borrowers. Despite the focus on products and services, the prominence of predatory and subprime lending as an issue of concern transcended the ordinary business concern.

The Staff has long recognized that shareholder proposals may properly address business decisions regarding the sale of products where significant policy issues are at issue. *See e.g., Kimberly-Clark Corp.*

(Jan. 12, 1988); *Texaco, Inc.* (February 28, 1984); *American Telephone and Telegraph Company* (December 12, 1985); *Harsco Corporation* (January 4, 1993); *Firstar Corporation* (February 25, 1993). In Staff Legal Bulletin No. 14C, the Division considered proposals related to the environment and public health, which it had previously found to involve significant policy considerations, and advised that "[t]o the extent that a proposal and supporting statement focus on the company minimizing or eliminating operations that may adversely affect the environment or the public's health, we do not concur with the company's view that there is a basis for it to exclude the proposal under rule 14a-8(i)(7)." SEC, Division of Corporation Finance, Staff Legal Bulletin No. 14C.

Investor responsibility to steward global economic impact of a company's products and services

We note that the Company Letter also digresses to suggest a shocking principle – that the focus of the proposal on the economic impacts of climate change is somehow an inappropriate or ordinary business concern that is inappropriate for a proposal. For instance, the no action request states:

> In this regard, the Proposal's supporting statement also discusses risks to "the global economy" and that, as a result of fossil fuel emissions, "10% of total global economic value has been estimated to be lost by 2050." In addition, the supporting statement alleges that limiting global warming in the manner requested by the Proposal "could save $20 trillion globally by 2100," or risk "climate damages in the hundreds of trillions," which could harm the portfolios of investors. The Proposal also claims that support for fossil fuel development increases "credit, market, and operational risks" for the Company in its position as a bank. These statements emphasize the Proposal's focus on particular decisions made by the Company's management regarding the provision of financial products and services offered by the Company and the overall economic effect of those decisions on shareholders and other investors. Decisions with respect to the types of companies and industries that the Company offers financing to are at the heart of the Company's business as a global financial services company and are so fundamental to the Company's day-to-day operations that they cannot, as a practical matter, be subject to shareholder oversight.

It would be a seriously ill-advised application of the ordinary business rule to conclude that concerns about global climate impacts and resulting economic impacts of the Company's lending policies are off-limits to shareholder deliberation. Today, a growing portion of investors are focused on how their portfolio holdings may affect the global economy. These are understood as fiduciary duties, and the rights to raise these issues with portfolio companies as embodied in the shareholder proposal rule are a critical means for fiduciaries to take account of ESG issues and encourage high standards of ESG performance in companies in which they are invested, and as the Investor Statement on Fiduciary Duty in the 21st Century has stated, to "support the stability and resilience of the financial system."[9]

The shareholder proposal process itself ensures that a proposal implicates issues of long-term value, at the company and/or on the value of clients' portfolios, the economy and market in its totality.[10] As the Mercer report, Investing in a Time of Climate Change: The Sequel said, on page 6:

> "Investors such as pension funds, insurers, wealth managers, and endowments and foundations typically have multidecade time horizons, with portfolio exposure across the global economy.

[9] https://www.fiduciaryduty21.org/english.html

[10] The guardrails of the process ensure that the focus of the proposal is of salient interest to investors in the company – both "economically relevant" pursuant to Rule 14a-8(i)(5) and "significant to the company" for purposes of Rule 14a-8(i)(7) and recent Staff Legal Bulletins 14 I, J and K.

> The implications of climate change are systemic and are already apparent…Financial regulators, and particularly for pension funds, are increasingly reinforcing this message by formalizing the expectations that investors should consider the materiality of climate-related risks and manage them accordingly, consistent with their fiduciary duties."

Micromanagement Analysis Under Staff Legal Bulletin 14L

Under Staff Legal Bulletin 14L, analysis of issues of micromanagement comes down to two basic tests to determine whether a proposal "probes to deeply" for shareholders' consideration:

> First, does the proposal frame the investor deliberation in a manner consistent with market discussions, available guidelines and the state of familiarity/expertise on the issues in the investing marketplace?
>
> Second, does it leave sufficient flexibility for board and management discretion?

We will address each of these questions in turn.

A DELIBERATION APPROPRIATE TO SHAREHOLDERS

It is appropriate for shareholders to deliberate on whether the company in its lending practices should live up to credible global fossil fuel supply development requirements.

Staff Legal Bulletin 14 L notes that in considering ordinary business challenges and micromanagement, the Staff will consider whether the deliberation posed by the proposal in question is consistent with current investor discourse and credible national or international guidelines:

> **We would expect the level of detail included in a shareholder proposal to be consistent with that needed to enable investors to assess an issuer's impacts, progress towards goals, risks or other strategic matters appropriate for shareholder input.**
>
> …in order to assess whether a proposal probes matters "too complex" for shareholders, as a group, to make an informed judgment, we may consider the sophistication of investors generally on the matter, the availability of data, and the robustness of public discussion and analysis on the topic. **The staff may also consider references to well-established national or international frameworks when assessing proposals related to disclosure, target setting, and timeframes as indicative of topics that shareholders are well-equipped to evaluate.** [Emphasis added]

Global guidelines

The core benchmark of the Proposal is consistency with global guidelines on an aggressive, 1.5° C trajectory. The Proposal asks the Company to adopt a fossil fuel development strategy that is "not inconsistent" with the IEA and UNEP FI guidelines. These are the most credible global benchmarks for an aggressive 1.5° C scenario and response on climate change.

The Net Zero Emissions by 2050 Roadmap was established by the International Energy Agency (IEA).

> The IEA is at the heart of global dialogue on energy, providing authoritative analysis, data, policy recommendations, and real-world solutions to help countries provide secure and sustainable energy for all.

> The IEA was created in 1974 to help coordinate a collective response to major disruptions in the supply of oil. While oil security remains a key aspect of our work, the IEA has evolved and expanded significantly since its foundation.
>
> Taking an all-fuels, all-technology approach, the IEA recommends policies that enhance the reliability, affordability and sustainability of energy. It examines the full spectrum issues including renewables, oil, gas and coal supply and demand, energy efficiency, clean energy technologies, electricity systems and markets, access to energy, demand-side management, and much more.
>
> Since 2015, the IEA has opened its doors to major emerging countries to expand its global impact, and deepen cooperation in energy security, data and statistics, energy policy analysis, energy efficiency, and the growing use of clean energy technologies.[11]

The IEA has established various scenarios for global climate change responses, with its latest Net Zero by 2050 Roadmap providing a detailed description of an ambitious global project to alter the world's energy infrastructure and align with net zero and 1.5° C goals. That roadmap includes the statement that **"that no fossil fuel exploration is required and no new oil and natural gas fields are required beyond those that have already been approved for development."**[12]

The United Nations,[13] as the body that has convened the global climate talks and agreements is authoritative. **Among other things, the United Nations Environment Program (UNEP) is the home for the Net Zero Banking Alliance, of which JP Morgan Chase is a member.**

The UNEP FI 2021 report entitled "Recommendations for Credible Net-Zero Commitments from Financial Institutions" provides clear guidance and benchmarks for issuers and their investors in assessing whether current company pledges are matched by credible commitments considering the global agreements and goals. The UNEP FI report is geared toward a clear benchmark of financial institution credibility on their net zero commitments, making it clear that one of the most important benchmarks of credibility is to "align as soon as possible":

> A financial institution establishing a net-zero commitment should begin aligning with the required assumptions and implications of IPCC 1.5°C no/low overshoot pathways as soon as possible. This is because the pathways require immediate actions to have a realistic chance of limiting warming to 1.5°C. **This would include, for example, the immediate cessation of any new fossil fuel investments, and rapid decommissioning of remaining fossil fuel production as indicated by the scenarios**. [Emphasis added]

Thus, the Proposal is grounded in and benchmarked against key international programs and guidelines. As SLB 14L notes, "The staff may also consider references to well-established national or international frameworks when assessing proposals related to disclosure, target setting, and timeframes as indicative of topics that shareholders are well-equipped to evaluate." This is not a question of "investors probing too

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[11] https://www.iea.org/about/mission

[12] *See* World Energy Outlook 2021, *found at* https://iea.blob.core.windows.net/assets/88dec0c7-3a11-4d3b-99dc-8323ebfb388b/WorldEnergyOutlook2021.pdf

[13] The UN Secretary-General António Guterres has commented that: "Recent announcements by the world's largest economies to end international financing of coal are a much-needed step in phasing out fossil fuels. But… there is still a long way to go to a clean energy future. It is urgent that all remaining public financiers as well as private finance, including commercial banks and asset managers, switch their funding from coal to renewables to promote full decarbonization of the power sector and access to renewable energy for all."

deeply" into company management, but rather asking the company to come into line with the most prominent global benchmarks of the most proactive response scenario on climate change.

Prominence of discussion
These issues have also been addressed in media coverage, investor publications, and in international guidance. Therefore, the introduction of this issue as a topic for the Company's shareholder meeting is appropriate and pitched consistent with shareholder understanding and deliberation. Public debate and analysis regarding the proper path towards a net zero future are robust and ongoing.

For example, on May 18, 2021,The New York Times covered the IEA's World Energy Outlook with a headline "***Nations Must Drop Fossil Fuels, Fast, World Energy Body Warns***: A landmark report from the International Energy Agency says countries need to move faster and more aggressively to cut planet-warming pollution."[14]

> Nations around the world would need to immediately stop approving new coal-fired power plants and new oil and gas fields and quickly phase out gasoline-powered vehicles if they want to avert the most catastrophic effects of climate change, the world's leading energy agency said Tuesday.

The article also noted the importance for investors:

> That's significant, given the fact that the influential agency is not an environmental group but an international organization that advises world capitals on energy policy. **Formed after the oil crises of the 1970s, the agency's reports and forecasts are frequently cited by energy companies and investors as a basis for long-term planning**. [emphasis added]

The New York Times also covered the nuances and complexities of investing in the development of fossil fuels in a prior article in April 2021 headed "*Why Investing in Fossil Fuels Is So Tricky:* Demand for oil and gas is rising, yet it is expected to decline in the future as the world responds to global warming. Where does that leave investors?"[15]. That article highlighted the tension central to JPMorgan Chase's own dilemma, in which oil investments may be profitable in the short term despite being a risky bet in the long term.

Thus, the current proposal, asking the company to clarify its trajectory into the long-term need to face down fossil fuels is consistent with this New York Times summary of the situation for investors:

> As concerns about climate change push the world economy toward a lower-carbon future, investing in oil may seem a risky bet. For the long term, that may be true. Yet for the moment, at least, oil and gas prices appear likely to continue to rise as the economy recovers from the pandemic-driven shutdown of millions of businesses, big and small. These countervailing trends — increasing demand now and falling demand at some point, perhaps in the not-too-distant future — create a dilemma for investors.

The New York Times also covered the UN sponsored Production Gap report and it to the IEA Net Zero Scenario in October 2021 "*Fossil Fuel Drilling Plans Undermine Climate Pledges, U.N. Report Warns: Countries are planning to produce more than twice as much oil, gas and coal through 2030 as would be needed if governments want to limit global warming to Paris Agreement goals."*

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[14] See https://www.nytimes.com/2021/05/18/climate/climate-change-emissions-IEA.html
[15] See https://www.nytimes.com/2021/04/09/business/investing-oil-gas-fossil.html

> The International Energy Agency recently looked at what would be needed to hold global warming to 1.5 degrees Celsius. All of the world's nations would have to drastically cut their fossil-fuel use over the next three decades until they are no longer adding any greenhouse gases to the atmosphere by 2050, essentially achieving "net zero" emissions.
>
> Under that scenario, the agency said, the world's nations would not approve the development of any new coal mines or new oil and gas fields beyond what has already been committed today.

A January 7, 2022 opinion piece in the Financial Times highlights the dilemma of banks who are part of the UN's net zero banking alliance but have yet to commit to a phaseout of new fossil fuel development titled: *"Banks risk becoming new fossil fuel villains in 2022: Financing climate change culprits is becoming more visible and troublesome than ever before."*[16]

> Definitions of green financing can be generous, but the direction of greenward travel seems clear — except for one thing. Banks may be turning on the taps for green finance but they are far from closing them for fossil fuels. The world's 6o largest private sector banks have put more than $3.8tn into the oil, gas and coal sectors since the 2015 Paris agreement, according to NGO research. And a lot has gone to oil and gas companies with big expansion plans.
>
> With no sign of rapid change, banks face a double difficulty in exposing their fossil financing to more scrutiny — and charges of climate villainy without showing how they might eventually wind it back.
>
> In theory, the problem should be solved by a group like the Net Zero Banking Alliance, whose 98 members account for more than 40 percent of global banking assets. They have to set out plans for zeroing out emissions. The trouble is the brutal maths. Scientists have established it is much safer to limit global warming to 1 5°C. So human-made carbon emissions, much of which come from burning oil, gas and coal, should nearly halve by 2030 and fall to net zero by around 2050.
>
> ***
>
> Banks have reduced backing for coal over time. But very few net zero alliance members have issued detailed plans showing how and when they might wind down support for oil and gas…

This broader context is comprehensible by JPMorgan Chase investors, appropriate for discussion in the debate and not outside of the grasp of investor deliberation and engagement.

Investor interests in the subject matter of the proposal

The financing of continued fossil fuel development by the Company poses important questions for its shareholders: stranded assets and reputational risk to the company, systemic and portfolio wide risk for diversified investors, and due diligence concerns for ESG investors. It is salient for investors to ask the company, as one of the largest financiers of fossil fuels, to come into alignment with the leading global benchmarks for an aggressive climate change mitigation response. The following discussion addresses each of these in turn:

1) Issuer-specific risks. Reducing the extent to which JPMorgan Chase's fossil fuel financing places the Company's assets at risk, including risks of stranded assets and reputational damage.

[16] Financial Times, Pilita Clark, January 7, 2022.

2) Portfoliowide and Systemic risks. Reducing the extent to which the Company's fossil fuel financing may be inconsistent with an investor's commitment to manage systemic risk by aligning with global climate goals.

3) ESG Due diligence risks. Ensuring that fiduciaries including investment firms, asset managers, analysts and trustees have necessary information from JPMorgan Chase as a portfolio company, to conduct due diligence on the fiduciaries' ESG related claims.

ISSUER SPECIFIC RISKS

For each of the last 5 years, JPMorgan Chase has topped the list as the world's leading fossil-fuel-supporting bank. In 2020, the Company funneled $51.3 Billion into fossil fuel projects. **From 2016 to 2020, the Company has contributed nearly $317 Billion in lending and underwriting for fossil fuel projects.**

Stranded asset risk

Data is available to both shareholders and the public that show JPMorgan Chase is increasing the risk of asset stranding by investing in fossil fuels. The report "Banking on Climate Change 2020", reported that JPMorgan Chase is the most largest investor in fossil fuel expansion companies.[17] Notably, JPMorgan Chase invests in tar sand oil, funds offshore oil and gas activities, finances fracking operations, and has the distinction of being the world's biggest bankers for liquefied natural gas ("LNG"). From 2016 to 2020, JPMorgan Chase has contributed nearly $317 Billion in lending and underwriting for fossil fuel projections. This data is publicly available, and thereby allows JPMorgan Chase shareholders to make informed decisions regarding this big-picture proposal on the company's investing policies.

Asset stranding resulting from the early retirement of fossil fuel assets is both an impact and risk of the company's actions. Stranded assets are therefore are a likely consequence of the approaching energy transition.

The Federal Reserve Bank of New York modeled climate risk for banks using a simulation based on falling energy prices. Using these tools, the Reserve determined that JPMorgan Chase was very exposed:

> Specifically, we develop a measure called CRISK, which is the expected capital shortfall of a financial institution in a climate stress scenario...we use stranded asset portfolio return as a proxy measure for transition risk…The stress scenario that we consider is a 50% drop in the return on stranded asset portfolio over six months. This corresponds to the first percentile of historical return on stranded asset portfolios ...The measured CRISKs for some of the banks were economically substantial. For instance, Citigroup's CRISK increased by 73 billion US dollars during the year 2020. In other words, the expected amount of capital that Citigroup would need to raise under the climate stress scenario to restore a prudential capital ratio increased by 73 billion US dollars in 2020.[18]

According to the same empirical study, JPMorgan Chase's CRISK increased by 100 billion US dollars during the year 2020. In other words, as stated above, the expected amount of capital that JPMorgan Chase would need to raise under the climate stress scenario to restore a prudential capital ratio increased by 100 billion US dollars in 2020.

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[17] *See Banking on Climate Change, Fossil Fuel Finance Report 2020, found at* https://www.ran.org/wp-content/uploads/2020/03/Banking_on_Climate_Change__2020_vF.pdf

[18] https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr977.pdf, at 2.

The Company has even made several public statements[19] alluding to the risks it faces related to climate change. "As a global financial institution, we have determined our businesses, and the activities of our clients and customers, could be impacted through transition or physical risks driven by climate change." and "Transition and physical climate-related risks could also lead to financial impacts such as interruptions to supply chains, declines in asset values or significant shifts in demand for certain products or services." [20]

As the Wall Street Journal reported in November 2021,[21] "Trillions in Assets May Be Left Stranded as Companies Address Climate Change: Write-downs of power plants, auto factories and fossil-fuel reserves could cause big losses in transition to renewable energy".[22]

Thus, the current shareholder proposal can be construed as an opportunity for shareholders to protect their investments by asking for a policy that restricts JPMorgan Chase from violating a credible 1.5° C pathway.

Reputational risk

In addition, the proposal is also aligned with investor interest in reputational risk and ensuring that the company is not vulnerable to charges of greenwashing given its participation in efforts like the Net Zero Banking Alliance.

The Company's reported involvement in support of various fossil fuel developments, including offshore oil and gas activities, tar oil sand developments, fracking operations, and LNG projects run contrary to JPMorgan Chase's public statements about the company's alignment with the goals of the Paris Agreement, and thus present increasing reputational risks to the company from investors and the public at large.

In sum, the Company's resistance to ending new fossil fuel development is inconsistent with a global transition consistent with 1.5°C warming, and the Company cannot escape this reality through "nuanced" policies of funding additional fossil fuel development projects.

The Office of the Comptroller of the Currency has recognized this risk in its recent proposal[23] on climate accountability of banks, noting that:

> [W]here banks engage in public communication of their climate-related strategies, boards and management should ensure that any public statements about their banks' climate-related strategies and commitments are consistent with their internal strategies and risk appetite statements.

JPMorgan Chase engages in many such communications, including as a signatory to the UN Principles for Responsible Investment and in committing to reduce its carbon footprint to net zero by 2050. As we

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[19] 2020 Environment, Social and Governance Report (May 2021), p. 15
see, https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/jpmc-esg-report-2020.pdf,

[20] [4] 2020 Environment, Social and Governance Report (May 2021), p. 16
https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/jpmc-esg-report-2020.pdf

[21] **https://www.wsj.com/articles/trillions-in-assets-may-be-left-stranded-as-companies-address-climate-change-11637416980**

[22] See also https://www.theguardian.com/environment/2021/sep/08/climate-crisis-fossil-fuels-ground

[23] https://www.occ.treas.gov/news-issuances/news-releases/2021/nr-occ-2021-138a.pdf at 3.

discussed above, UNEP FI has defined a *credible financial institution's net zero commitment as* necessitating alignment with global goals including the need to halt financing of new fossil fuel supplies. The Principles for Responsible Investment[24] endorsed by the Company articulate six key points of "commitment" for endorsers,[25] some of which directly bear on the current proposal.

For instance, Principle two states: "We will be active owners and incorporate ESG issues into our ownership policies and practices." The principle describes possible actions including filing "shareholder resolutions consistent with long-term ESG considerations."

Principle three states that: "We will seek appropriate disclosure on ESG issues by the entities in which we invest." Among the possible implementing actions are to **"ask for information from companies regarding adoption of/adherence to relevant norms, standards, codes of conduct or international initiatives** (such as the UN Global Compact)," and "Support shareholder initiatives and resolutions promoting ESG disclosure."

The Proposal provides a key opportunity for the Company's investors to inquire more deeply and encourage the company to sustain the credibility of its net zero commitments, by aligning its policies and moving beyond its current equivocal approach to oil and gas sector supply development.

SYSTEMIC AND PORTFOLIOWIDE RISKS
The Company's fossil fuel financing may be inconsistent with an investor's commitment to alignment with global climate goals

Many investors and fiduciaries have undertaken policies and commitments to align their portfolios and individual holdings with global climate goals. The BankTrack website which focuses on analysis of banking and climate change summarizes this systemic view in its analysis:

> The Paris Climate Agreement, which was signed in 2015, aims to "avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C". The scientific basis for limiting global warming to 1.5°C instead of 2°C was further strengthened in 2018 by the IPCC's special report on global warming of 1.5°C. This report clearly showed that all negative effects of global warming such as sea level rise, water and food insecurity, damage to ecosystems and ocean acidification are less severe at warming of 1.5°C compared to 2°C.
>
> To estimate the amount of carbon dioxide that still can be emitted until reaching a certain temperature threshold, like 1.5°C of warming, climate scientists work with 'carbon budgets'. Analysis by Oil Change International shows that the currently developed fossil fuel reserves for gas, oil and coal are already double the remaining carbon budget for a 50% chance of staying below 1.5°C of global warming. In the beginning of 2021, the International Energy Agency came to the same conclusion and stated that there was 'no need for more fossil fuels' in their Net Zero by 2050 Roadmap.
>
> Based on this analysis, it can be concluded that *all fossil fuel expansion is incompatible with the goals agreed upon in the Paris Climate Agreement*. (*Fossil fuel expansion* encompasses all development of untapped fossil fuel sources and building the infrastructure to bring these fossil fuels to the market.) In this context, any further exploration for new reserves and the construction

[24] The principles note they " were developed by investors, for investors."
[25] https://www.unpri.org/pri/what-are-the-principles-for-responsible-investment

> of new fossil fuel infrastructure is indefensible and should not be pursued by any government or company or financed by any bank. Unfortunately, many banks continue to finance fossil fuel expansion, while the policies of most banks to limit or stop their finance for expansion remain weak or often even non-existent.

Thus, shareholders and investment fiduciaries monitoring the global impacts of climate change, in voting on the current proposal, provide important input to the board and management as to how to balance these short and long-term interests, and to encourage companies as well as countries to exercise leadership in the urgent need for a phase down in new fossil fuel development.

To the growing portion of institutional and diversified investors who take seriously their fiduciary obligations to consider and engage on the systemic, economy and portfolio wide implications of their holdings, the Proposal provides a key opportunity to engage with a major fossil fuel funder.

In addition, failure to address these broad concerns poses systemic economic risks.
A recent report, "Wall Street's Carbon Bubble: The Global Omissions of the US Financial Sector" has noted that banks' fossil fuel assets reflect a new market bubble, analogous to subprime mortgages prior to the housing market crash of 2008:

> In order to keep global warming under 1.5 degrees Celsius, there is a finite limit to total emissions, known as the "carbon budget." To remain within that budget, global net anthropogenic CO2 emissions must decline by 45 percent from 2010 levels by 2030. This will require a rapid phase-out of the largest sources of emissions, including emissions from fossil fuel production.
>
> Unfortunately, the potential emissions from currently operating oil, gas, and coal fields and mines alone would send the world past 2°C of warming. Instead of heeding warnings, the fossil fuel industry plans to increase production through 2030, producing twice as much emissions as the carbon budget allows. This means that, if the world is to achieve the 1.5°C warming limit, a portion of existing fossil fuel projects will turn into "stranded assets," defined by the International Energy Agency as "those investments which have already been made but which, at some time prior to the end of their economic life… are no longer able to earn an economic return." Companies are therefore raising and spending capital for projects that will not provide the returns investors expect.
>
> The market is now carrying a significant amount of "unburnable carbon." This means, according to Ben Caldecott, there is a "disconnect between the current value of the listed equity of global fossil fuel producers and their potential commercialisation under a strict carbon budget constraint." This disconnect is termed the "carbon bubble."

As described in a paper by David Comerford and Alessandro Spignati:

> *[A]nalogously to the subprime mortgage problem that precipitated the 2008-09 Financial Crisis, the global economy is once again mis-pricing assets as markets overlook this 'unburnable carbon ' problem. This issue is termed the 'Carbon Bubble' because the imposition of climate policy consistent with the Potsdam Climate Institute's calculations would mean the fundamental value of many fossil fuel assets must be zero as they cannot be used. Their current market value must*

> *therefore be made up of a zero fundamental value , and a 'bubble' component: the Carbon Bubble.*[26]
>
> **The scale of this mispricing problem is significant. According to Carbon Tracker Initiative, "governments and global markets are currently treating as assets reserves equivalent to nearly 5 times the carbon budget for the next 40 years." Based on some estimates, the impact of losses from stranded fossil fuel assets may "amount to a discounted global wealth loss of $1-4 trillion."** [emphasis added]

Thus the continued refusal by companies and financial institutions to adapt their business activity to align with a carbon-constrained future in a timely manner may lead to large losses in value throughout the global financial system. If asset repricing occurs abruptly, this inaction will lead to sudden, painful financial and economic shocks that could precipitate a global financial crisis.

This appropriate systemic and portfolio wide concern is connected with fiduciary duties of investors, specifically the fiduciary duty of impartiality which necessitates a balancing of interests of beneficiaries who may draw on the assets in the near term and those for whom retirement or other need for the assets are longer-term and may be undercut by a carbon bubble and related market shocks.[27]

ESG DUE DILIGENCE
Ensuring that investment firms, asset managers and other fiduciaries have information necessary for due diligence on any ESG related claims.

On March 4, 2021, the SEC initiated a new Task Force focused on climate and ESG issues looking primarily at the "veracity of issuers' ESG disclosures as well as those of investment fiduciaries."[28] In the present instance, the current proposal speaks directly to the credibility of JPMorgan Chase's climate change pledges and claims, and therefore advances the objectives of the Task Force in ensuring that the credibility of issuer claims on climate change are defensible.

Based on the United Nations "credible action" document, the credibility of JPMorgan Chase's climate commitment is on the line in any claims to be aligned with global climate goals without a concurrent commitment to eliminating the funding of new fossil fuel development.

The shareholder proposal provides an opportunity for the company's investors to make clear the need for the Company Board and management to guide company policy in a manner that would address what appears to be a fundamental flaw in current company plans. In addition, the shareholder right to file and vote on this proposal offers the best available opportunity for ESG investment fiduciaries to act on their

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[26] https://www.bankofengland.co.uk/-/media/boe/files/events/2016/november/the-carbon-bubble-climate-policy-in-a-fire-sale-model-of-deleveraging-speaker-paper.pdf?la=en&hash=F6FC6E38ED1334A006F9658A605E77946C8BDE83

[27] A law review article reviewing this duty of impartiality noted in particular that with regard to the potential conflict between long or short term bias: "As a practical matter, such communication is done through stockholders' resolutions, allowing stockholders to express their preferences for certain corporate actions…the fiduciary duty of impartiality provides an analytic framework for the consistent resolution of stockholders' conflicts of interest. It is a balancing test that provides a corporation's board of directors a flexible tool with which to weigh various, and often conflicting, interests of stockholders to reach a resolution that maximizes the value of the enterprise as a whole. Shachar Nir, One Duty to All: The Fiduciary Duty of Impartiality and Stockholders' Conflict of Interest, 16 Hastings Bus. L.J. 1 (2020).
Available at: https://repository.uchastings.edu/hastings_business_law_journal/vol16/iss1/2

[28] *See* SEC Announces Enforcement Task Force Focused on Climate and ESG Issues, *found at* https://www.sec.gov/news/press-release/2021-42

due diligence responsibilities, to ensure that their ESG commitments are backed with the data and verification necessary to make any ESG claims. To the extent that investment fiduciaries claim that stock holdings in JPMorgan Chase are ESG or net zero assets, the request of the proposal provides a central opportunity to back that claim with due diligence in engagement and stewardship.

This investor due diligence that is enabled by the proposal is responsive to the demands and scrutiny placed on ESG investors according to the report of the SEC "Division of Examinations' Review of ESG Investing, April 9, 2021. That review noted that numerous investment products and financial services have incorporated environmental, social, and governance ("ESG") to meet demand. The division noted that it will be monitoring the accuracy of disclosures on ESG investing, and that examinations of firms claiming to engage in ESG investing will focus on, among other matters, a review of a firm's policies, procedures, and practices related to ESG and its use of ESG-related terminology; due diligence and other processes for selecting, investing in, and monitoring investments in view of the firm's disclosed ESG investing approaches; and whether proxy voting decision-making processes are consistent with ESG disclosures and marketing materials. The division also noted that 5 Advisers Act Section 206 imposes a fiduciary duty on investment advisers to provide full and fair disclosure of all material facts relating to the advisory relationship and to provide advice that is in the best interest of the client. Investment advisers also have antifraud liability with respect to communications to clients and prospective clients under Advisers Act Section 206. See Commission Interpretation Regarding Standard of Conduct for Investment.[29]

In short, proponents believe that the growing responsibilities of ESG investors to walk their talk necessitates support for the current proposal, to ensure that a large portfolio holding in a financial institution like JPMorgan Chase does not leave an ESG investor vulnerable to enforcement actions on failure to exercise due diligence on portfolio company practices inconsistent with ESG, net zero, 1.5° C alignment and similar commitments.

FLEXIBILITY AND DISCRETION

The proposal is not too directive for purposes of Rule 14a-8(i)(7).

How flexible or specific should a shareholder proposal be?

To begin, the shareholder proposal rule itself states that a proposal should "state as clearly as possible the course of action" that the proponent believes "the company should follow"[30] as an advisory "request" for company action. Rule 14a-8(a). Thus, any claim that the proposal is overly inflexible must be evaluated

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[29] The Review also noted, despite claims to have formal processes in place for ESG investing, a lack of policies and procedures related to ESG investing; policies and procedures that did not appear to be reasonably designed to prevent violations of law, or that were not implemented; documentation of ESG-related investment decisions that was weak or unclear; and compliance programs that did not appear to be reasonably designed to guard against inaccurate ESG-related disclosures and marketing materials. They noted further:
• *Portfolio management practices were inconsistent with disclosures about ESG approaches.*
• *Controls were inadequate to maintain, monitor, and update clients' ESG-related investing guidelines, mandates, and restrictions*.
• *Inadequate controls to ensure that ESG-related disclosures and marketing are consistent with the firm's practices.*
• *Policies and procedures that addressed ESG investing and covered key aspects of the firms' relevant practices*. *Controls were inadequate to maintain, monitor, and update clients' ESG-related investing guidelines, mandates, and restrictions*.

[30] *See* Rule 14a-8(a).

against this fundamental guidance in the rule itself. Moreover, failure to be specific invites a company challenge based on vagueness, that either the company or its shareholders will not understand the scope of the proposal or how it will be implemented.

At the other pole is the potential for the proposal to encroach too far onto the board and management discretion. But as an advisory proposal, the board and management's discretion is seldom encroached by a proposal. Even after a majority of support on an advisory proposal, the board and management are *expected* to exercise discretion to act as fiduciaries in the interests of the corporation. The request of the current proposal is advisory, it is not directive.

The Company Letter argues that the Proposal "imposes" specific methods for implementing complex policies and inappropriately limits the discretion of the Company's management. However, as we have stated above, the Proposal does nothing to impose specific requirements on the management. The request of the Proposal is merely advisory, and leaves management wide latitude in accomplishing the general purpose and objective.

The Company Letter also asserts that the proposal would provide management with no discretion to assess the risks and opportunities associated with lending[31]. However, there is actually substantial flexibility within the guidance of the proposal for the company to establish appropriate policies that in the judgment of the board and management would help to ensure that the company's lending and underwriting *do not contribute to new fossil fuel supplies*.

The proposal does not require divestment from particular companies

The Company Letter argues that even though the Proposal is directed at important objectives and a transcendent policy issue it micromanages because:

> "The Proposal seeks to impose a specific method for implementing the Company's commitments, i.e., by prohibiting the Company from providing financing to any company that is directly or indirectly engaged in fossil fuel development."

But this suggestion is inconsistent with the Proposal. To the contrary, this advisory proposal asks the Company only to adopt a policy consistent with global climate constraints already articulated by authoritative bodies UNEP FI and IEA – that have both indicated that new fossil fuel development is not compatible with the 1.5° scenario.

The Proposal does not delineate acceptable clients for the Company, but rather requests the Company to proactively assess and shape activities that it finances so as to be aligned with the key global climate benchmarks – the extent to which their financing is aligned with or in conflict with the need to keep undeveloped fossil fuels in the ground.

Nothing in the Proposal contemplates or demands divestment from oil and gas companies; it only asks the Company to establish a policy to ensure that its financing services do not support new fossil fuel development. The proposal is agnostic as to which clients the Company provides financing to. For

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[31] The Company Letter mistakenly asserts: "The Proposal would not provide management with any discretion to assess the risks and opportunities associated with the implementation of the underlying policy objectives, to leverage the extensive work it has done to establish its own existing climate-related business policies and to develop strategies in conjunction with its clients that could support a clean-energy transition and improved climate sustainability. Rather, stockholders are being asked to assume this managerial responsibility and dictate, by institutional policy, which companies are suitable to be the Company's clients."

instance, to the extent that oil and gas companies are developing renewable or clean energy segments, there is no requirement in the proposal that would necessitate ending the financing of those initiatives. Indeed, as the IEA has itself pointed out:

> The expertise of the oil and natural gas industry fits well with technologies such as hydrogen, CCUS and offshore wind that are needed to tackle emissions in sectors where reductions are likely to be most challenging.[32]

A compelling demonstration of the flexibility and discretion afforded by the Proposal is contained in the UNEP FI "credible commitments" document. UNEP FI in its credible zero commitments guidance notes that there are multiple possible pathways to credible alignment by financial institutions including an absolute contraction approach, an economic intensity-based approach, a capacity or technology-based approach, a portfolio coverage approach and sectoral alignment. *Whichever of these pathways the board and management should choose, new fossil fuel development is excluded – it is not consistent with 1.5° C alignment.*[33]

To the extent that an oil and gas major is developing a substantial renewable energy project, or developing resources other than fossil fuels, the proposal is agnostic as to the continuation of or initiation of lending activities.

The Proposal is squarely on target for a shareholder assessment of this key vulnerability in the company's strategy to date. As Staff Legal Bulletin 14 L put it: "This approach is consistent with the Commission's views on the ordinary business exclusion, which is designed to preserve management's discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters."

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[32] https://www.iea.org/reports/net-zero-by-2050

[33] The UNEP FI notes that there is no universal pathway to 1.5 degrees and that each company must tailor its pathway to its own circumstances. UNEP FI discusses five approaches that a financial institution may take to achieve a 1.5 degree no/low overshoot alignment: 1. 'Absolute contraction' approach a. Reducing the absolute amount of carbon in the portfolio. This can involve early divestment from major sources of carbon.
2. 'Economic intensity-based' approach c. Achieving a greater carbon efficiency per dollar invested. This can involve investing new funds in more carbon efficient companies and/or ceasing to finance major sources of carbon.
3. A 'capacity- or technology-based' approach. This involves identifying fossil fuel sources (or technologies) in the portfolio or loan book and working towards the cessation or replacement of those capacities/technologies.
4. 'Portfolio coverage' approach - providing increasing amounts of capital to companies with transition plans and their own net-zero commitments, either through analyzing asset level data and/or engaging with companies to encourage, track and accelerate company-level net-zero commitments, or taking a bottom-up approach to increase the number of companies which are credibly net-zero aligned as a percentage of the portfolio or loan book
5. 'Sectoral alignment' e.g. 'sector decarbonization approach' in which, over time, all companies in the portfolio or loan book for that sector would be expected to achieve the benchmark carbon/GHG efficiency (as a result this transitions to a portfolio coverage approach over time but has the added benefit of supplying capital to the more efficient companies in the near-term) This can involve overweighting (providing greater amounts of financing to) companies which have a lower energy demand or carbon/GHG emissions per unit of product/output, and underweighting (providing lesser amounts of financing to) those which are less energy or carbon/GHG efficient." Credible commitments guidance at 11-12.

Nevertheless, no matter which method a financial institution utilizes, new fossil fuel development is excluded from any 1.5 degree pathway. Proponents do not specify a pathway, either. They merely request that the Board craft a <u>credible</u> pathway.

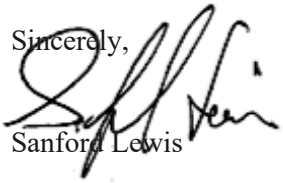
CONCLUSION

Ultimately, the ability of a shareholder proposal to produce beneficial change at a corporation is grounded in a fundamental test – whether shareholders vote in favor of the proposal. This inevitably turns on shareholders' assessment of whether the proposal will advance value on a short- or long-term basis, whether at the individual company or across the economy.

The Proposal is consistent with the rights and responsibilities of investors to assess the congruence of portfolio companies' performance with their climate pledges. It is an investor due diligence action for the fiduciaries who have adopted ESG principles.

The Proposal addresses a significant policy issue and is not overly prescriptive, and therefore is not excludable under Rule 14a-8(i)(7). Based on the foregoing, we believe the Company has provided no basis for the conclusion that the Proposal is excludable from the 2022 proxy statement pursuant to Rule 14a-8. We urge the Staff to inform the Company that it is denying the no action request.

Sincerely,



Sanford Lewis

THE PROPOSAL

Fossil Fuel Financing

Resolved: Shareholders request that JPMorgan Chase (JPMC) adopt a policy by the end of 2022 in alignment with the IEA's 1.5°C climate change scenario, by ensuring that its financing does not contribute to new fossil fuel supply — defined as exploration for and/or development of oil, gas, and coal resources or reserves beyond those already in production or approved by a final investment decision.

Supporting Statement

While JPMC has asserted that it is taking "comprehensive steps"[1] to align with the climate goals of the Paris Agreement", the company's position as a leading financier of fossil fuels conflicts with a scenario in which global warming does not exceed 1.5° C.

For instance, in May 2021, the International Energy Agency (IEA) found that for the world to limit warming to 1.5 degrees Celsius by 2050, effective immediately "there is no need for investment in new fossil fuel supply."[2] The IEA's 1.5 degree scenario does not contemplate new fossil fuel development, but the Company continues to finance it.

Exceeding a 1.5° scenario jeopardizes the global economy. Under current emission trajectories, 10% of total global economic value has been estimated to be lost by 2050.[3] Limiting warming to 1.5 versus 2 degrees could save $20 trillion globally by 2100; exceeding 2 degrees could lead to climate damages in the hundreds of trillions.

To diversified investors, continued support for fossil fuel development threatens long-term portfolio value; for banks, it means increased credit, market, and operational risks.[4] Even short-term fossil fuel financing contributes to long-term risk: the IPCC's 2021 report confirmed that historic and current emissions have locked in warming for the next two decades.[5]

In May 2021, JPMC released 2030 targets for oil and gas, electric power and autos as part of its "Paris-aligned financing commitment". The bank's 2030 targets specify reductions in carbon intensity — that is, greenhouse gas emissions per unit of output.

These targets are compatible with *expansion* of fossil fuels. The intensity targets do not meet the identified need, over the next decade, to cut global *absolute* emissions by 45%. JPMC has been identified as the largest funder of companies expanding oil and gas production.[6] Some of these oil and gas companies have set intensity reduction targets meeting or exceeding what JPMC is calling for, even as they plan continued oil and gas expansion.

Public calls for an end to fossil fuel finance have grown and threaten JPMC's reputation. For example, in September 2021, JPMC and other large banks were named in an op-ed by youth climate activists calling on the banks to stop financing expansion of fossil fuels.[7]

We urge shareholders to vote in favor of this proposal, to encourage JPMorgan Chase align with global efforts to contain climate change.

1 https://www.businesswire.com/news/home/20210513005492/en/JPMorgan-Chase-Releases-Carbon-Reduction-Targets-for-Paris-Aligned-Financing-Commitment
2 https://www.iea.org/reports/net-zero-by-2050 p 21
3https://www.swissre.com/institute/research/topics-and-risk-dialogues/climate-and-natural-catastrophe-risk/expertise-publication-economics-of-climate-change.html
4 https://www.accenture.com/us-en/insights/banking/climate-change-risk-banks
5 https://www.nytimes.com/2021/08/09/climate/climate-change-report-ipcc-un.html
6 https://www.bankingonclimatechaos.org/
7 https://www.teenvogue.com/story/banks-fund-fossil-fuels

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February 25, 2022

BY EMAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: JPMorgan Chase & Co. – 2022 Annual Meeting
Supplement to Letter dated January 11, 2022
Relating to Shareholder Proposal Submitted
by Mercy Investment Services, Inc. and co-filers[1]

Ladies and Gentlemen:

We refer to our letter dated January 11, 2022 (the "No-Action Request"), submitted on behalf of JPMorgan Chase & Co., a Delaware corporation (the "Company"), pursuant to which we requested that the Staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") concur with the Company's view that the shareholder proposal and supporting statement (the "Proposal") submitted by Mercy Investment Services, Inc. ("Mercy") and co-filers may be excluded from its proxy materials for the Company's 2022 Annual Meeting of Shareholders (the "2022 Annual Meeting"). Mercy and the co-filers are referred to collectively as the "Proponents."

[1] The following shareholders have co-filed the Proposal: The Adrian Dominican Sisters; the American Baptist Home Mission Society; Benedictine Sisters of Cullman, Alabama, Inc.; Benedictine Sisters of Mount St. Scholastica; Benedictine Sisters of Virginia; The Congregation of St. Joseph; Dana Investment Advisors, on behalf of the Dana Large Cap Equity Fund; Daughters of Charity, Province of St. Louise; the Fonds Durocher; John C. Harrington; Monasterio Pan De Vida; Northwest Women Religious Investment Trust; the School Sisters of Notre Dame Cooperative Investment Fund; the Congregation of the Sisters of Saint Joseph of Peace; the Unitarian Universalist Association; United Church Funds; and Vancity Investment Management.

This letter is in response to the letter to the Staff, dated February 7, 2022, submitted by Sanford Lewis on behalf of the Proponents (the "Proponents' Letter"), and supplements the No-Action Request. In accordance with Rule 14a-8(j), a copy of this letter also is being sent to the Proponents.

The Proponents' Letter mischaracterizes the Company's argument. It details at length why the Proposal "addresses a transcendent policy issue," however, the Company did not represent that climate change is not a significant policy issue. The Company unequivocally recognizes the importance of climate change and has implemented and supported numerous initiatives to promote sustainability and action on climate change. Indeed, the Company's website states that the Company has "made significant investments in our climate-related investment capabilities and enhanced our efforts to help clients consider the material implications of climate change within their portfolios. We became a signatory to the Net Zero Asset Managers initiative in 2021, and are committed to working with our industry to promote action on climate change."

As explained in the No-Action Request, the Company believes that despite any implication of issues related to climate change, the Proposal nonetheless focuses on the Company's ordinary business because it focuses on the economic impacts and business risks presented by the products and services offered for sale by the Company and, specifically, the Company's decisions with regard to providing financing to particular types of customers. This view is supported by the Proponents' Letter, which references, among other things, the "economic impacts of the Company's lending policies," that "investors are focused on how their portfolio holdings may affect the global economy" and "issues of long-term value, at the company and/or on the value of clients' portfolios, the economy and market in its totality," and discusses stranded asset risk, systemic risk and portfolio risk. Accordingly, even though the Proposal may raise significant policy issues relating to climate change, its focus is on ordinary business matters.

In addition, the Proponents' Letter argues that the Proposal does not attempt to micromanage the Company because "[n]othing in the Proposal contemplates or demands divestment from oil and gas companies; it only asks the Company to establish a policy to ensure that its financing services do not support new fossil fuel development." A few sentences later, however, the Proponents' Letter explains that under the Proposal's requested framework, "whichever . . . pathways the board and management should choose, new fossil fuel development is excluded." As explained in the No-Action Request, the Proposal would result in micromanagement because it seeks to impose a specific method for implementing a complex policy—it would effectively prohibit the Company from providing financing for particular types of projects and companies.

Therefore, the Proposal may be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

For the reasons stated above and in the No-Action Request, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its proxy materials for the 2022 Annual Meeting. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of the Company's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact the undersigned at (202) 371-7180.

Very truly yours,

Brian V. Breheny

cc: John H. Tribolati
Corporate Secretary
JPMorgan Chase & Co.

Mary Minette
Director of Shareholder Advocacy
Mercy Investment Services, Inc.

Jillianne Lyon
Investor Advocates for Social Justice

David L. Moore Jr. CFA
Director of Investments
The American Baptist Home Mission Society

Sister Lynn Elisabeth Meadows, OSB
President
Benedictine Sisters of Cullman, Alabama, Inc.

Rose Marie Stallbaumer, OSB
Treasurer
Benedictine Sisters of Mount St. Scholastica
Monasterio Pan de Vida

Sister Andrea Westkamp, OSB
Treasurer
Benedictine Sisters of Virginia

Ann Roberts
ESG Analyst
Dana Investment Advisors

John C. Harrington
President and CEO
Harrington Investments, Inc.

Matthew J. Illian
Director of Responsible Investing
United Church Funds

Kelly Hirsch, CFA
Head of ESG
Vancity Investment Management

SANFORD J. LEWIS, ATTORNEY

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February 28, 2022
Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to J.P. Morgan Chase regarding fossil fuel financing on behalf of the John C. Harrington – Supplemental Response

Ladies and Gentlemen:
John C Harrington (the "Proponent") is beneficial owner of common stock of J.P. Morgan Chase & Co. (the "Company") and has submitted a shareholder proposal (the "Proposal") to the Company. We previously responded to the Company's no action request. I have been asked by the Proponent to respond to the supplemental letter dated February 25, 2022 ("Supplemental Letter") sent to the Securities and Exchange Commission by Brian Breheny of Skadden Arps. A copy of this response letter is being emailed concurrently to Mr. Breheny.

The Supplemental Letter seems to imply that asking a company to align its strategy to an external benchmark ought to be considered micromanagement, due to the inflexibility of the external benchmark. The Supplemental Letter reiterates the concern that asking the company to develop policies consistent with the global benchmarks of UNEP and IEA is inflexible and therefore micromanagement, because it may imply some changes to the Company's customer base and certainly to the loans that the company may or may not issue.

The strength of a global benchmark is that it represents an agreed external global goal against which behavior of corporations is measured. A strategic reorientation imposed by an individual investor might constitute micromanagement, but when the United Nations has converged on the need for a strategic reorientation of both governments and corporations, investors echoing that external standard can no longer be said to be micromanaging the company.[1] The Proponent

[1] This does not mean that a proposal seeking a strategic reorientation in the absence of a global standard necessarily micromanages. Evaluation is still appropriate against the other related questions as to whether the strategic reorientation, as framed, represents a reasonable deliberation for investors. It doesn't require an external standard for the Staff to understand that a strategic reorientation towards safer behaviors in the face of societal needs is most appropriate for a shareholder proposal. As an example, it has never been seen as micromanagement or excludable ordinary business to ask a utility to end the use of nuclear power. Asking utilities to phase out nuclear power, or even particular plants, has long been understood as being directed toward fundamental strategy with major economic and safety concerns. For example, in *DTE Energy Company* (February 2, 2018) the proposal requested that the Company commission an independent economic analysis of the potential cost avoidance and the potential financial benefit to shareholders and ratepayers of closing the Company's Fermi 2 nuclear power plant prior to the expiration of the Nuclear Regulatory Commission license. The Staff rejected exclusion under rule 14a-8(i)(7) noting economic and safety considerations attendant to nuclear power plants. This followed numerous similar proposals

agrees that global benchmarks do have a quality of inflexibility about them – they represent authoritative interpretations of planetary boundaries that currently human activities are on target to breach. The 1.5° global goal for temperature increase represents a scientific determination as to an important planetary boundary that is in danger of breaching and the UNEP and IEA scenarios reflect those entities' interpretation of the changes in economic activity necessary for staying within that boundary. It is due to the nature of a planetary boundary – the limits of what our global atmosphere can handle – that we have indeed reached a time in which we are losing flexibility as to how a company like J.P. Morgan Chase & Co. does business.

The Company's objections to the planetary boundary reflected in those benchmarks constitute an objection that the Company might wish to ignore or disagree with, but neither investors nor the SEC are in a position to say this inflexibility is therefore not an appropriate boundary to respect or respond to. Thus, when the supplemental letter asserts that such a benchmark is inflexible in that it necessitates significant alteration of its customer base or loan portfolio, the proponent does not disagree that it *does require changes* to the company's lending activities. The fact that the planetary boundary requires significant changes in economic activities is precisely why the proposal is necessary. However, as we demonstrated and documented in our response, within that benchmark there is substantial flexibility for the company to define pathways by which it will work within that limitation.[2]

In addition, the Supplemental Letter also asserts that the proposal is overly focused on the economic impact of climate change on the global economy, investors and the Company. It should be obvious to the Company as a financial services company that has given some focus to climate change that the issues raised by the proposal are part of the *fundamental* challenges posed by climate change. They are not inappropriate to a proposal addressing the significant policy issue of climate change, in fact, the proponent believes they are essential.

Again, in consideration of the evidence presented in our prior letter, there is no doubt that the questions presented by the Proposal are well within the scope of appropriate investor deliberation. Indeed, the very essence of the Proposal's ask is at the forefront of public conversations around investing, as reflected in a report published just last week. Although it principally focuses on the role of *European* banks in fossil fuel financing, the paper concludes that the Paris-unaligned financing of fossil fuels in Europe is creating substantial risk for the banks and the global economy:

> **"Current oil & gas expansion plans lead to a lose-lose scenario**. If demand decreases in line with 1.5C scenarios, prices will fall and assets that don't earn their initially promised return will become stranded (the US$145 billion in write downs in 2020 could be a foretaste of greater losses to come in an era of permanently lower

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including *Union Electric Company* (February 28, 1984) requesting the company cancel construction of the Company's Callaway Nuclear Power Plant project.

[2] The Supplemental Letter continues to also perpetuate the fallacy that the Proposal has the effect of *prohibiting* the company from providing financing for particular types of projects and companies. As an advisory proposal it takes the pulse of the Company's investors on the sufficiency of the Company's climate strategy. But it cannot and does not prohibit the Board or management from doing anything. The ultimate decisions, after hearing the advisory perspective of voting shareholders, remains with the board and management.

> demand). On the other hand, if consumption of fossil fuels does not wane to the extent necessary to limit global warming to 1.5C, the economy will suffer from severe physical impacts of climate change. Either way, value will be destroyed for companies and their financiers."[3] [emphasis added]

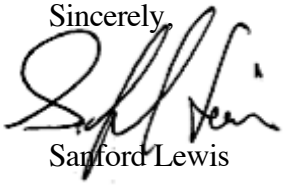
In this evolving arena, it is 100% evident that shareholders have a need to hold the Company accountable on this strategic issue. As noted in our prior correspondence, the Office of the Comptroller of the Currency has proposed new rules on banks' climate change related disclosures and communications. The Financial Services Forum, an organization of eight of the largest us banks **including J.P. Morgan Chase & Co.,** wrote to the OCC on February 14[4] with recommendations to revise the OCC requirements on public communications by banks. The forum wrote:

> The Proposal calls for banks to "ensure that any public statements about their banks' climate-related strategies and commitments are consistent with their internal strategies and risk appetite statements." ….[W]e believe it would be more appropriate for each bank to ensure that public communication of its climate-related strategies is consistent with *the actions the bank is actually taking*.

Although the Forum argues that this requested change is in line with the U.S. securities disclosure regime, it also appears that this change may undercut banks' accountability for rhetoric around net zero targets. Notably, in line with this concern, the Forum's comments also sought to relieve boards of directors of responsibility for ensuring that corporate public communications are aligned with internal strategies. This legalistic push of the banks themselves, including the Company, away from accountability for consistency between policy and climate communications, with its implications for assessing whether long-term net zero targets are aligned with other policies and commitments, is the core focus of the current Proposal. This issue appears central to a continuing debate that we can anticipate for some time to come. Investors surely must maintain the right to engage through the shareholder proposal process to avoid a risk of marketwide greenwashing.

We stand by our original correspondence, and are persuaded more than ever that the Proposal is not eligible for exclusion under Rule 14a-8(i)(7). We urge the Staff to notify the Company that it is denying the no action request.

Sincerely,



Sanford Lewis

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[3] https://shareaction.org/reports/oil-gas-expansion-a-lose-lose-bet-for-banks-and-their-investors
[4] https://fsforum.com/a/media/fsf---occ-climate-principles-comment-letter.pdf