



September 25, 2017

Jamie Dimon  
 Chair and CEO  
 JPMorgan Chase & Co.  
 270 Park Ave.  
 New York, NY 10017

To Mr. Dimon:

As representatives of a wide range of Indigenous, environmental and community organizations, we call on JPMorgan Chase to end financing for tar sands oil.<sup>1</sup>

As we write, communities from Puerto Rico to Miami, Houston to British Columbia, Sierra Leone to Bangladesh are struggling with the devastation of climate change, in the form of deadly hurricanes, wildfires, and floods. Those least responsible are being hurt the most. The human cost of the climate crisis is undeniable, and the solution to this emergency is clear: an immediate stop to the expansion of fossil fuels, an end to deforestation, and a rapid transition to a zero-carbon economy. Ending expansion of the most climate-destructive fossil fuel sectors is an urgent priority, and corporate supporters of the Paris climate agreement have a key role to play. JPMorgan Chase, the #1 U.S. banker of tar sands oil,<sup>2</sup> must stop financing the expansion of that sector and, going forward, phase out its support for tar sands completely.

Tar sands, the dirtiest form of oil, is extracted from the traditional territories of Indigenous peoples including the Dene, Cree and Métis, despite those communities' clear opposition.<sup>3,4</sup> Tar sands extraction destroys vast swathes of boreal forest and either strip-mines the cleared land or drills it using a hugely energy- and water-intensive process, doing massive harm to First Nations' traditional land, water, livelihoods and cultural practices. Tar sands pipelines, whether to the Pacific, Gulf Coast, Great Lakes or Atlantic, scar the land and threaten the water of Indigenous and frontline communities across North America, and are often rammed through without the free, prior and informed consent of impacted Indigenous peoples. The Treaty Alliance Against Tar Sands Expansion, comprised of 150 First Nations and Tribes, stands in committed opposition to all tar sands pipelines crossing their traditional lands and

waters,<sup>5</sup> and has called for an international campaign to divest from any financial institution that funds them.<sup>6</sup>

Tar sands oil is one of the most carbon-intensive fossil fuels, due to the energy intensity of the extraction process and the declining quality and accessibility of reserves.<sup>7</sup> Even more climate-destructive is the tar sands lock-in effect: huge upfront capital expenditure strongly incentivizes continued production; tar sands extraction projects often have lifetimes of more than 50 years, and tar sands pipelines frequently have 40-year lifespans. New tar sands extraction and infrastructure threatens intense carbon pollution as late as 2070, well after we must transition to a zero-carbon economy.<sup>8</sup>

Recent analysis has shown that burning all the oil, gas and coal currently in production takes the world past the two degree goal of the Paris climate agreement. Depleting the operating oil and gas fields alone would overshoot the 1.5 degree goal. The upshot is clear: to achieve the goals of the Paris climate agreement, we must stop fossil fuel expansion today — we can't afford a single new mine, well or pipeline.<sup>9</sup> Stopping expansion of tar sands oil — which tramples Indigenous rights, cooks the climate, and locks in extraction for decades — is an absolute priority. Bankrolling tar sands expansion means bankrolling climate change and future abuse of Indigenous rights.

From 2014 to 2016, JPMorgan Chase was the #1 U.S. funder of tar sands oil, with more than US \$3.1 billion in financing, and the #1 funder outside China of extreme fossil fuels overall: tar sands, Arctic and ultra-deepwater oil; coal mining and coal power; and North American liquefied natural gas export.<sup>10</sup> Unconscionably, JPMorgan Chase financing to the biggest companies in those sectors increased from 2015 to 2016, the first full year after the Paris climate summit, at a time when the largest global banks overall decreased their financing by 22%.

So far in 2017, JPMorgan Chase has more than tripled its tar sands financing compared to 2016, to greater than US \$2 billion.<sup>11</sup> It bankrolled two of the three biggest tar sands operators, Cenovus<sup>12</sup> and Canadian Natural Resources,<sup>13</sup> in their acquisitions of billions of new barrels of reserves from ConocoPhillips and Shell, as oil and gas supermajors continue to flee the sector. JPMorgan Chase is the lead bank on the biggest credit facility for Teck Resources, whose planned US \$20 billion Frontier project, the largest open-pit tar sands mine in history, would devastate pristine forests and wild bison populations and is fiercely opposed by the Athabasca Chipewyan First Nation.<sup>14</sup>

In addition, despite the fierce ongoing opposition to Keystone XL, JPMorgan Chase continues to be a major banker to pipeline corporation TransCanada, serving as lead agent, or joint bookrunner, on almost US \$10 billion in credit, more than two-thirds of its total.<sup>15</sup> JPMorgan Chase is a significant backer of Enbridge, whose Line 3 tar sands pipeline, the largest project in the company's history, has faced years-long resistance from First Nations, tribes and communities in its path.<sup>16</sup> Your bank has loaned almost a quarter billion dollars to Kinder Morgan for its destructive Trans Mountain Expansion Project,<sup>17</sup> which is adamantly opposed by First Nations along the route, the British Columbian government, and major cities and municipalities the pipeline would cross — all of whom have committed to stopping the project.<sup>18</sup>

JPMorgan Chase's size, stature and influence give it an opportunity to set a strong example. Its US \$200 billion renewables commitment — which your bank claims is the largest in the financial sector<sup>19</sup> — should be matched by a sector-leading commitment to transition away from tar sands — and all extreme fossil fuels.

As an immediate, urgent priority, we call on JPMorgan Chase to stop financing projects and companies that would expand tar sands extraction or infrastructure, including tar sands pipelines. Going forward, we call on JPMorgan Chase to phase out all financing for tar sands, consistent with a managed decline for the sector and a just transition for communities dependent on it. We call on JPMorgan Chase to strengthen its Indigenous Peoples policy<sup>20</sup> and live up to that commitment, by ensuring that every project and company that it finances secures the free, prior and informed consent of impacted Indigenous people, a right codified in the U.N. Declaration on the Rights of Indigenous Peoples.

We face a momentous year for tar sands and the climate. The fate of a number of pivotal tar sands projects — including Enbridge’s Line 3, TransCanada’s Keystone XL and Energy East, and Kinder Morgan’s Trans Mountain pipelines — may well be settled in the next twelve months. JPMorgan Chase will make clear on which side of history it stands by its decisions to support, or refrain from supporting, these projects and the companies behind them.

The international climate negotiations process will have an important milestone at the U.N. conference in late 2018, with the first global stocktake on progress toward meeting the Paris targets. We are in a key window for the public and private sector alike to match their climate commitments to the scale of the climate crisis. JPMorgan Chase should lead by ending its financing for tar sands and fully supporting Indigenous rights.

For our communities and the climate,

Grand Chief Serge “Otsi” Simon  
Mohawk Council of Kanasatake  
Treaty Alliance Against Tar Sands Expansion

Winona LaDuke (White Earth)  
Executive Director  
Honor the Earth

Grand Chief Stewart Phillip  
President  
Union of British Columbia Indian Chiefs

Tara Houska (Couchiching First Nation)  
National Campaigns Director  
Honor the Earth

Chief Robert Chamberlin  
Vice-President  
Union of British Columbia Indian Chiefs

Eriel Tchekwie Deranger  
Executive Director  
Indigenous Climate Action

Kukpi7 Judy Wilson  
Secretary-Treasurer  
Union of British Columbia Indian Chiefs

Dallas Goldtooth  
Keep It In The Ground Campaigner  
Indigenous Environmental Network

Charlene Aleck  
Councillor  
Tsleil Waututh Nation

Casey Camp-Horinek  
Ponca Councilwoman  
Ponca Nation of Oklahoma

Rueben George  
Tsleil Waututh Nation Sacred Trust Initiative  
Tsleil Waututh Nation

Matt Remle (Lakota)  
Co-Founder, Mazaska Talks  
Editor, Last Real Indians

Johan Frijns  
Director  
BankTrack

Lindsey Allen  
Executive Director  
Rainforest Action Network

Hannah Adams  
Deputy Director  
Bold Alliance

Nicole Ghio  
Senior Campaign Representative  
Sierra Club

Josh Nelson  
Deputy Political Director  
CREDO

Heffa Schücking  
Director  
urgewald

Vanessa Green  
Director  
DivestInvest Individual

Jessica Clogg  
Senior Counsel and Executive Director  
West Coast Environmental Law Association

Florent Compain  
President  
Les Amis de la Terre France

Eugene Kung  
Staff Counsel  
West Coast Environmental Law Association

Doug Norlen  
Director, Economic Policy Program  
Friends of the Earth U.S.

Osprey Orielle Lake  
Executive Director & Founder  
Women's Earth and Climate Action Network

Annie Leonard  
Executive Director  
Greenpeace US

Micah Parkin  
Executive Director  
350 Colorado

Stephen Kretzmann  
Executive Director & Founder  
Oil Change International

Mary Lanham  
Corporate Accountability Team  
MN350

Alec Connon  
Fossil Fuel Financing, Campaign Director  
350 Seattle

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<sup>1</sup> This includes project finance, project finance advisory services, corporate finance to tar sands companies (including project-related corporate loans), bridge loans, and underwriting of debt and equity issuances.

<sup>2</sup> [Banking on Climate Change: Fossil Fuel Finance Report Card 2017](#), Rainforest Action Network, BankTrack, Sierra Club and Oil Change International, June 2017.

<sup>3</sup> ["Who are the ACFN?"](#), Athabasca Chipewyan First Nation and the Tar Sands, accessed September 21, 2017.

<sup>4</sup> ["Tar Sands Trial: BLCN vs. Alberta and Canada"](#), accessed September 21, 2017.

<sup>5</sup> ["Treaty Alliance Against Tar Sands Expansion"](#), Treaty Alliance Against Tar Sands Expansion, accessed September 21, 2017.

<sup>6</sup> ["Mazaska Talks"](#), Mazaska Talks, accessed September 21, 2017.

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<sup>7</sup> See, for instance: Benjamin Israel, [Measuring Oilsands Carbon Emissions Intensity](#), Pembina Institute, August 2016; Rachel Nuwer, [“Oil Sands Mining Uses Up Almost as Much Energy as It Produces”](#), *InsideClimate News*, February 19, 2013.

<sup>8</sup> [Climate on the Line: Why New Tar Sands Pipelines are Incompatible With the Paris Goals](#), Oil Change International, January 2017.

<sup>9</sup> [The Sky’s Limit: Why the Paris Climate Goals Require a Managed Decline of Fossil Fuel Production](#), Oil Change International, September 2016.

<sup>10</sup> [Banking on Climate Change: Fossil Fuel Finance Report Card 2017](#).

<sup>11</sup> Analysis by Rainforest Action Network; data sourced from Bloomberg Professional Services.

<sup>12</sup> [“Cenovus Energy Shares Drop Most in Company’s History as Investors Snub \\$17.7 Billion Oilsands Deal”](#), *Financial Post*, March 30, 2017.

<sup>13</sup> [“Canadian Natural Resources Limited Announces the Acquisition of Working Interest in the Athabasca Oil Sands Project and Other Oil Sands Assets”](#), Canadian Natural Resources, March 9, 2017.

<sup>14</sup> Bloomberg Professional Services; [“Alberta First Nation Presents Evidence Against Teck’s Exploratory Drilling for Oil Sands Mine”](#), *Vancouver Observer*, August 19, 2013.

<sup>15</sup> Bloomberg Professional Services.

<sup>16</sup> [Stop Line 3](#), accessed September 21, 2017.

<sup>17</sup> [Kinder Morgan Cochin ULC Credit Agreement](#), Exhibit 10.1, Securities and Exchange Commission, June 16, 2017, pp. A-1 and A-2.

<sup>18</sup> Kanahus Manuel, [“First Nation’s Tiny House Symbolizes Resistance to Pipeline”](#), *Toronto Star*, September 10, 2017.

<sup>19</sup> [“JPMorgan Chase to be 100 Percent Reliant on Renewable Energy by 2020; Announces \\$200 Billion Clean Energy Financing Commitment”](#), JPMorgan Chase & Co., accessed September 21, 2017.

<sup>20</sup> [“Environmental and Social Policy Framework”](#), JPMorgan Chase & Co., accessed September 21, 2017.