

# Congress of the United States

Washington, DC 20515

May 15, 2025

Ted Pick  
Chief Executive Officer  
Morgan Stanley  
1585 Broadway  
New York, NY 10036

Jamie Dimon  
Chief Executive Officer  
JPMorgan Chase  
270 Park Avenue  
New York, NY 10017

Jane Fraser  
Chief Executive Officer  
Citigroup  
388 Greenwich St  
New York, NY 10013

Brian Moynihan  
Chief Executive Officer  
Bank of America  
100 North Tryon Street  
Charlotte, NC 28255

Charles Scharf  
Chief Executive Officer  
Wells Fargo  
420 Montgomery Street  
San Francisco, CA 94163

David Solomon  
Chief Executive Officer  
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200 West Street  
New York, NY 10282

Michael O'Grady  
Chief Executive Officer  
Northern Trust  
50 S Lasalle St,  
Chicago, IL 60603

Larry Fink  
Chief Executive Officer  
BlackRock  
55 E 52<sup>nd</sup> St  
New York, NY, 10055

Jenny Johnson  
Chief Executive Officer  
Franklin Templeton  
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1 Franklin Parkway  
San Mateo, CA 94403

Ron O'Hanley  
Chief Executive Officer  
State Street Global Advisors  
1 Iron Street  
Boston, MA 02210

Andrew Schlossberg  
Chief Executive Officer  
Invesco Ltd.  
1331 Spring Street NW  
Atlanta, GA 30309

Emmanuel Roman  
Chief Executive Officer  
Pacific Investment  
Management Company  
650 Newport Center Drive  
Newport Beach, CA 92660

Dear Mr. Pick, Mr. Dimon, Ms. Fraser, Mr. Moynihan, Mr. Scharf, Mr. Solomon, Mr. O'Grady, Mr. Fink, Ms. Johnson, Mr. O'Hanley, Mr. Schlossberg, and Mr. Roman:

We write to express disappointment over your company's decision to backtrack on its climate goals in response to political pressure and the influence of fossil fuel special interests. Your organization recently withdrew from a coalition of leading global companies committed to taking significant actions to address the serious financial threats posed by climate change.<sup>1</sup> Ignoring climate change's destabilizing effects on the economy is not an option.

Last year, 2024, was the hottest in history and the first in which global average temperatures exceeded the Paris Agreement's goal of 1.5 degrees Celsius above pre-industrial levels.<sup>2</sup> These record-breaking temperatures were reflected across the U.S., from hurricanes intensified by warm waters off the Gulf Coast to the hot and dry conditions that fueled fast-spreading wildfires in the Los Angeles area. It is estimated that the

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<sup>1</sup> Net Zero Banking Alliance Members, <https://www.unepfi.org/net-zero-banking/members/>; Net Zero Asset Managers Initiative Signatories, <https://www.netzeroassetmanagers.org/signatories/>; Climate Action 100+ Companies, <https://www.climateaction100.org/whos-involved/companies/>.

<sup>2</sup> "2024 was the hottest year on record, scientists say," 10 Jan. 2025, <https://www.reuters.com/business/environment/2024-was-first-year-above-15c-global-warming-scientists-say-2025-01-10/>.

devastating wildfires in California could result in up to \$275 billion in damages<sup>3</sup> and the total short- and long-term economic costs from Hurricanes Helene and Milton could exceed \$400 billion.<sup>4</sup> More recently from March 16-18, 2025, there were at least 87 tornadoes, along with a series of wildfires, high winds, and dust storms that swept across eight states in the Midwest and South that resulted in at least 42 deaths, dozens of injuries, and extensive property damage.<sup>5</sup>

It bears repeating that climate risk is financial risk, a fact acknowledged by investors, asset managers, businesses, and regulators, including many of your organizations. For example, in a 2020 letter, BlackRock's CEO wrote that, "Investors are increasingly reckoning with these questions and recognizing that climate risk is investment risk.... They are seeking to understand both the physical risks associated with climate change as well as the ways that climate policy will impact prices, costs, and demand across the entire economy."<sup>6</sup> Specifically, these risks could profoundly impact how financial institutions manage their investment decisions, loan portfolios, and business operations.

Financial institutions contribute to the emissions of nearly every business sector, making your organization a crucial player in limiting the average global temperature rise<sup>7</sup> and seizing the economic opportunities presented by the transition to a low-carbon economy. Moreover, as top financiers of fossil fuels, a failure to address financed emissions could expose banks to long-term climate impacts, including the risk of stranded assets.

While the Trump Administration has quickly backtracked on addressing the climate crisis,<sup>8</sup> in 2021, the Financial Stability Oversight Council (FSOC) identified climate change as an emerging and increasing threat to U.S. financial stability.<sup>9</sup> In its annual reports for 2022, 2023, and 2024, the FSOC has reiterated the importance of financial institutions effectively managing their exposure to climate-related financial risks.<sup>10</sup> In 2023, the Federal Reserve, the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) reaffirmed that climate change poses an emerging risk to the safety and soundness of financial institutions and financial stability.<sup>11</sup> Regardless of the Trump Administration's actions, we are at an important inflection point, as these emerging risks are quickly becoming a visible reality. The frequency and severity of climate-related disasters are causing property and casualty (P&C) insurance markets to become stressed, not just in coastal states but across the country.<sup>12</sup> In response to rising insured losses due to climate change, insurance companies are exiting these markets across the country, contributing to an insurance affordability and

<sup>3</sup> "AccuWeather estimates more than \$250 billion in damages and economic loss from LA wildfires," 13 Jan. 2025, <https://www.accuweather.com/en/weather-news/accuweather-estimates-more-than-250-billion-in-damages-and-economic-loss-from-la-wildfires/1733821>.

<sup>4</sup> "Helene and Milton Damage Is Just the Start of the Climate Tab," 28 Oct. 2024, <https://www.bloomberg.com/opinion/articles/2024-10-28/helene-and-milton-damage-is-just-the-start-of-climate-change-costs>.

<sup>5</sup> AP, *A look at the 42 deaths linked to severe storms in the US* (Mar. 17, 2025).

<sup>6</sup> BlackRock, *Larry Fink's 2020 Letter to CEOs – A Fundamental Reshaping of Finance* (2020).

<sup>7</sup> In a March 2025 report, Morgan Stanley analysts stated that they "now expect a 3°C world...[due to] recent setbacks to global decarbonization efforts." Source: "Big banks predict catastrophic warming, with profit potential," 31 Mar. 2025, <https://www.eenews.net/articles/big-banks-predict-catastrophic-warming-with-profit-potential/>.

<sup>8</sup> For example, see *Trump Orders a U.S. Exit From the World's Main Climate Pact* (Jan. 29, 2025).

<sup>9</sup> FSOC Report on Climate-Related Financial Risk, 2021, <https://home.treasury.gov/system/files/261/FSOC-Climate-Report.pdf>.

<sup>10</sup> FSOC Annual Report, 2024, <https://home.treasury.gov/system/files/261/FSOC2024AnnualReport.pdf>; FSOC Annual Report, 2023, <https://home.treasury.gov/system/files/261/FSOC2023AnnualReport.pdf>; FSOC Annual Report, 2022, <https://home.treasury.gov/system/files/261/FSOC2022AnnualReport.pdf>.

<sup>11</sup> "Principles for Climate-Related Financial Risk Management for Large Financial Institutions," 30 Oct. 2023, <https://occ.treas.gov/news-issuances/news-releases/2023/nr-ia-2023-118a.pdf>.

<sup>12</sup> "As Insurers Around the U.S. Bleed Cash From Climate Shocks, Homeowners Lose," 13 May 2024, <https://www.nytimes.com/interactive/2024/05/13/climate/insurance-homes-climate-change-weather.html>.

availability crisis for homeowners and businesses. The FSOC warned that these developments could affect mortgage markets and housing prices, and generate “larger economic spillover effects.”<sup>13</sup>

Our banking regulators similarly emphasized that climate-related risks can ripple throughout the economy and financial system—as a result, the financial sector could experience credit and market risks associated with loss of income, defaults, fluctuations in asset values, liquidity risks associated with changing demand for liquidity, operational risks associated with disruptions to infrastructure or other channels, or legal risks.<sup>14</sup> Similarly, bank mortgage lending portfolios are affected by climate-related risks as well.<sup>15</sup> Now is not the time to turn a blind eye to these potentially systemic risks.

There is value in participating in international coalitions and making firm climate commitments alongside other leading companies. For example, a 2023 Federal Reserve Bank of New York staff report found that U.S. banks that joined the Net Zero Banking Alliance (NZBA), compared to non-signatory banks, reduced their climate-related exposures by decreasing lending to risky industries that are likely to be adversely affected by the energy transition.<sup>16</sup>

Despite recent exits by U.S. financial institutions, membership among some of these international coalitions continues to grow globally.<sup>17</sup> Abandoning these groups signals that your organization has actively decided to cede U.S. leadership on combating climate change. Furthermore, leaving doesn’t eliminate climate-related financial risk; instead, it diminishes your capacity to monitor and address that risk collaboratively. This ultimately has the potential to harm your customers and shareholders in the long run.

We are disappointed that your organization appears to be disregarding science and what’s good for business and instead yielding to political pressure for short-term political favor. To that end, we write to request answers in writing to the following questions by May 29, 2025.

1. Please explain your reasoning for leaving the Net Zero Banking Alliance, the Net Zero Asset Managers Initiative, and/or Climate Action 100+, where applicable.
2. Is your organization still committed to achieving its previously stated net-zero carbon emissions goals? If so, how?
3. Do you intend to continue publicly publishing your progress against your emissions targets? If not, why?
4. Please detail your existing targets and policies for reducing financed GHG emissions in line with the goals of the Paris Agreement.
  - a. Do you commit to not weakening these targets and policies?
5. For those with firms that were previously in the Net Zero Banking Alliance, do you still intend to set targets and policies to reduce facilitated emissions? Do you still intend to achieve your emission reduction targets on the timeline that you previously agreed upon?

<sup>13</sup> FSOC Annual Report, 2023, <https://home.treasury.gov/system/files/261/FSOC2023AnnualReport.pdf>.

<sup>14</sup> “Principles for Climate-Related Financial Risk Management,” <https://occ.treas.gov/news-issuances/news-releases/2023/nr-ia-2023-118a.pdf>.

<sup>15</sup> “Banks’ Mortgage Lending Portfolios Laced With Climate Risk,” Sep. 23, 2024, <https://nationalmortgageprofessional.com/news/banks-mortgage-lending-portfolios-laced-climate-risk>.

<sup>16</sup> “U.S. Banks’ Exposures to Climate Transition Risks,” Apr. 2023, [https://www.newyorkfed.org/medialibrary/media/research/staff\\_reports/sr1058.pdf?sc\\_lang=en](https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr1058.pdf?sc_lang=en).

<sup>17</sup> “Explainer: Where do big-name US departures leave the Net-Zero Banking Alliance?” 7 Jan. 2025, <https://www.thebanker.com/Explainer-Where-do-big-name-US-departures-leave-the-Net-Zero-Banking-Alliance-1736251396>; “CA 100+ grows emerging markets footprint with new joiners,” 17 Oct. 2024, <https://www.responsible-investor.com/ca100-grows-emerging-markets-footprint-with-new-joiners/>.

5. Please detail any communications between the Trump Administration and your institution regarding eliminating ESG (Environmental, Social, and Governance) activities since January 20, 2025, including any directives you may have received to freeze funds for climate-related Federal programs, like the Greenhouse Gas Reduction Fund.

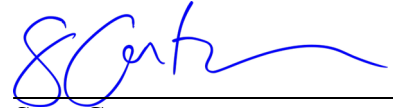
Thank you for your attention to this important matter.

Sincerely,



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Maxine Waters  
Ranking Member  
Committee on Financial Services



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Sean Casten  
Member of Congress



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Yassamin Ansari  
Member of Congress



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Joyce Beatty  
Member of Congress



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Donald S. Beyer Jr.  
Member of Congress



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Suzanne Bonamici  
Member of Congress



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Julia Brownley  
Member of Congress



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Kathy Castor  
Member of Congress



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Emanuel Cleaver, II  
Member of Congress



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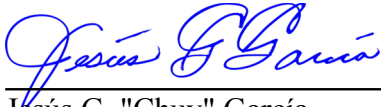
Dwight Evans  
Member of Congress



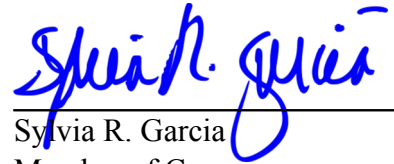
Cleo Fields  
Member of Congress



Valerie P. Foushee  
Member of Congress



Jesús G. "Chuy" García  
Member of Congress



Sylvia R. Garcia  
Member of Congress



Al Green  
Member of Congress



Jared Huffman  
Member of Congress



Pramila Jayapal  
Member of Congress



Henry C. "Hank" Johnson, Jr.  
Member of Congress



Ro Khanna  
Member of Congress



Summer L. Lee  
Member of Congress



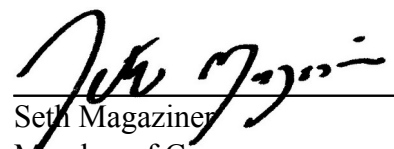
Ted W. Lieu  
Member of Congress



Zoe Lofgren  
Member of Congress



Stephen F. Lynch  
Member of Congress



Seth Magaziner  
Member of Congress



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Doris Matsui  
Member of Congress



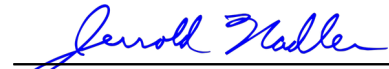
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James P. McGovern  
Member of Congress



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Gwen S. Moore  
Member of Congress



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Jerrold Nadler  
Member of Congress



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Eleanor Holmes Norton  
Member of Congress



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Alexandria Ocasio-Cortez  
Member of Congress



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Ilhan Omar  
Member of Congress



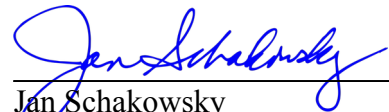
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Ayanna Pressley  
Member of Congress



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Delia C. Ramirez  
Member of Congress



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Jan Schakowsky  
Member of Congress



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Rashida Tlaib  
Member of Congress



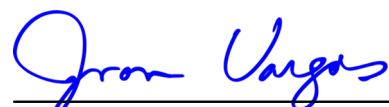
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Jim Tokuda  
Member of Congress



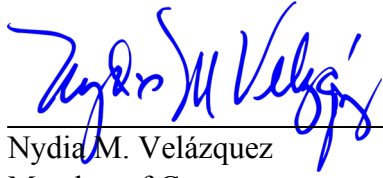
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Paul D. Tonko  
Member of Congress

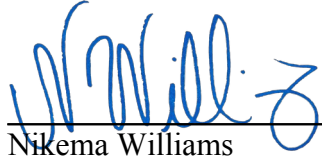


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Juan Vargas  
Member of Congress

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Nydia M. Velázquez  
Member of Congress

A handwritten signature in blue ink, appearing to read "Nikema Williams", written over a horizontal line.

Nikema Williams  
Member of Congress

A handwritten signature in blue ink, appearing to read "Bonnie Watson Coleman", written over a horizontal line.

Bonnie Watson Coleman  
Member of Congress