

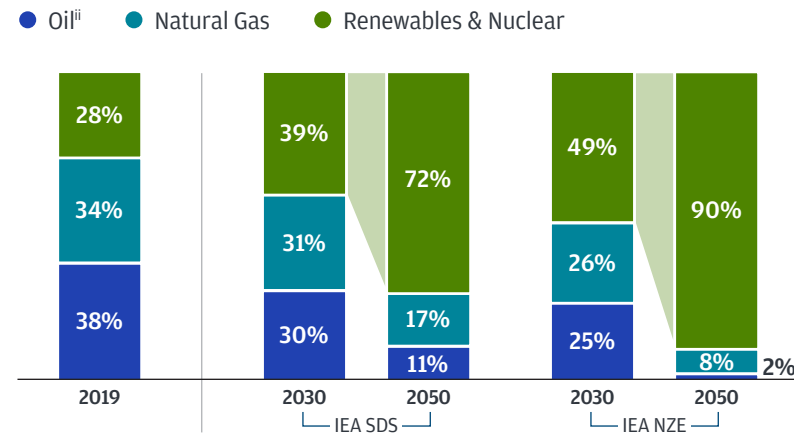
# Overview of Energy Mix Target

In our 2023 Climate Report, JPMorgan Chase expanded the boundary of the Oil & Gas End Use target. Now called Energy Mix, the target encompasses a broader view of energy supply that better captures the system-wide substitution from oil and natural gas to low-carbon fuels and zero-carbon electricity generation contemplated under the IEA NZE scenario. As with our other targets, the Energy Mix target aligns to the IEA NZE scenario.

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The IEA NZE scenario pathways reflect more reliance on electrification, and in turn zero-carbon power, than the IEA SDS scenario. Our IEA SDS aligned target for Oil & Gas End Use was to achieve a 15% reduction by 2030 from our 2019 baseline. Aligning this target with the IEA NZE scenario would require an increase to a 29% reduction. In addition, the build-out of zero-carbon power is taking place primarily in the Electric Power sector.

Global Energy Supply (excluding Coal<sup>i</sup>) by Source in the IEA NZE and SDS Scenarios



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In conjunction with the change to IEA NZE scenario, we are expanding the boundary of our Oil & Gas End Use (Scope 3) target – now called Energy Mix – to include zero-carbon power generation activity from our Electric Power portfolio and better capture how our financing is helping to facilitate the substitution of fossil fuels with zero- and low-carbon alternatives.

We will also maintain our Electric Power target that focuses specifically on the decarbonization of electric grids. Due to the integrated nature of our Energy Mix target, and its partial overlap with our existing Electric Power target, we will include our financing of zero-carbon power generation activities in both targets' calculations, which we believe is consistent with the IEA NZE scenario's treatment of global power generation.

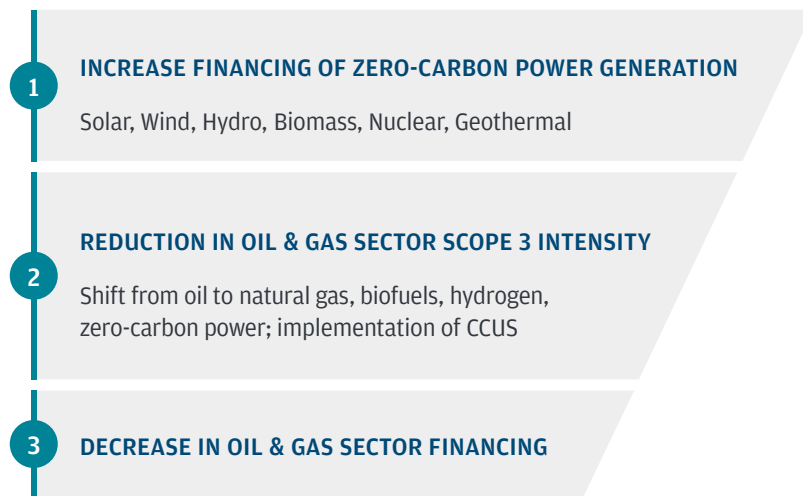
## Energy Mix Target Summary

<b>Activity Focus</b>	Production and refining of oil and natural gas for end use combustion Production of low-carbon fuels Zero-carbon power generation by Oil & Gas companies <b>NEW</b> Zero-carbon power generation by Electric Power companies
<b>Scope</b>	Scope 3 CO <sub>2</sub> emissions from end use of energy products
<b>Metric</b>	g CO <sub>2</sub> / MJ
<b>Scenario</b>	IEA NZE with adjustments to exclude coal and non-energy uses of oil
<b>2030 Target</b>	29.5 g CO <sub>2</sub> / MJ

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We believe this updated target better captures the shift in fuel mix of the global energy complex, and balances the trade-offs between fossil-fuel based and zero- or low-carbon energy sources to achieve net zero emissions by 2050.

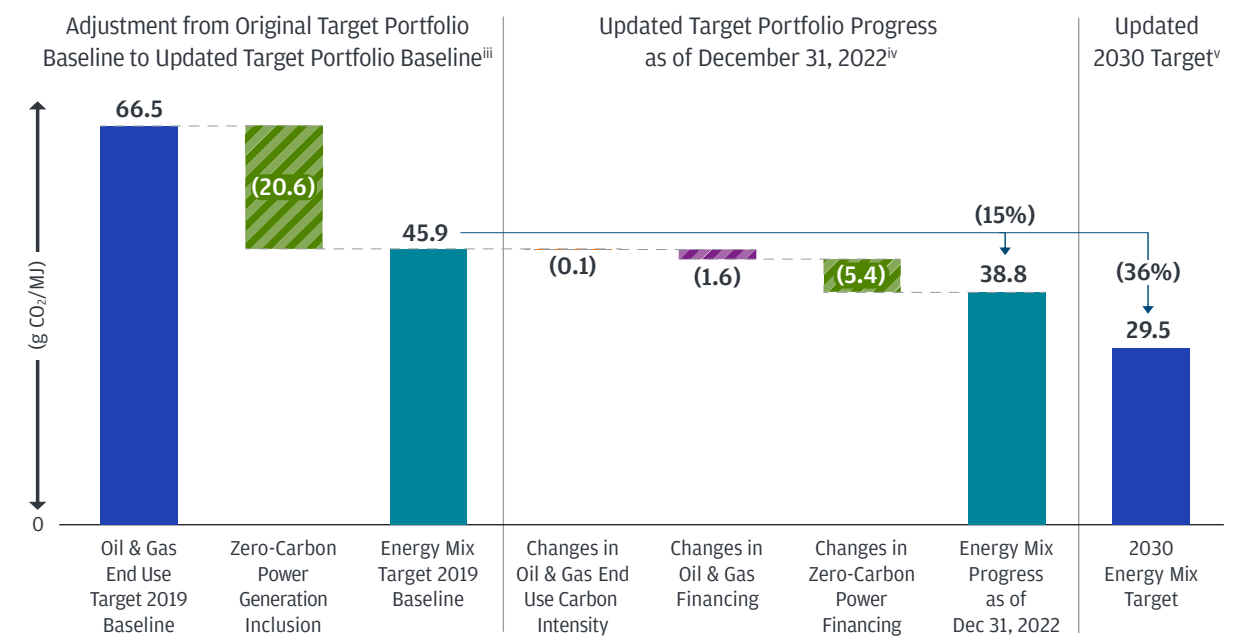
Progress toward our portfolio-weighted average Energy Mix carbon intensity target is dependent on three factors:



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While we have expanded our target to include zero-carbon power generation activity from our Electric Power portfolio, we have also increased the ambition of our target. The expansion to Energy Mix, which includes all zero-carbon power generation in our target's boundary, implies a global carbon intensity of 29.5 g CO<sub>2</sub>/MJ (or a 33% reduction between 2019 and 2030) under the IEA NZE scenario. Given that our 2019 baseline exceeded the 2019 global level, we are setting an adjusted target of a 36% reduction by 2030 from our 2019 baseline to align with a carbon intensity of 29.5 g CO<sub>2</sub>/MJ required under the IEA NZE scenario.

## Breakdown of our Oil & Gas End Use Target Update



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## Key Oil & Gas Updates

- To complement our Energy Mix target, we have increased the ambition of our Oil & Gas Operational (Scope 1 & 2) target from 35% to 45% reduction in emissions intensity by 2030, which aligns with achieving net zero emissions by 2050.
- To provide transparency and insight into the emissions footprint of our financing to the Oil & Gas sector, we are also disclosing our absolute financed emissions covering Scope 1, 2 and 3 for upstream, refining, and integrated companies.
- We are also publishing "[The Methane Emissions Opportunity](#)", which describes energy security, climate, and business benefits of immediate action to reduce methane emissions and flaring in the Oil & Gas sector, and identifies best-in-class and positive actions companies can consider implementing.

## Notes

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Source: IEA World Energy Outlook

Note: 2019 data and 2030 and 2050 IEA SDS Scenario projections are sourced from World Energy Outlook 2021 (Table A.1a: World energy supply and Table A.1c: World energy supply, respectively) published in October 2021. 2030 and 2050 IEA NZE Scenario projections are sourced from World Energy Outlook 2022 (Table A.1c: World energy supply) published in October 2022.

- i. Coal is excluded above to reflect that coal is not included in the Firm's IEA NZE-aligned Energy Mix target.
- ii. Excludes non-energy use oil.

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- iii. Adjustment from Original Target Portfolio Baseline to Revised Target Portfolio Baseline: Expansion of target boundary to include 2019 zero-carbon power generation intensity resulted in a revised 2019 baseline of 45.9 g CO<sub>2</sub>/MJ.
- iv. Portfolio Carbon Intensity Progress as of December 31, 2022 (from Revised Baseline): As of December 31, 2022, a decrease in Oil & Gas End Use carbon intensity, combined with a decrease in our exposure to the Oil & Gas sector and an increase in our exposure to zero-carbon power generation, resulted in a 15% reduction from the revised 2019 baseline.
- v. Revised IEA NZE-aligned Target: Aligning our Oil & Gas End Use target to IEA NZE scenario, coupled with the expansion of the target boundary to include zero-carbon power generation, resulted in a revised Energy Mix net zero aligned 2030 carbon intensity target of 29.5 g CO<sub>2</sub>/MJ, representing a 36% reduction from our revised 2019 baseline of 45.9 g CO<sub>2</sub>/MJ.

## Additional Resources

For more information about the Energy Mix Target, please see the [2023 JPMC Climate Report](#) and [Carbon Compass<sup>SM</sup> Methodology](#).

To learn more about how we manage E&S Risk, including with respect to oil & gas, see pages 70-71 of our [2022 ESG Report](#).

## A Note on Our Targets

We consistently set targets to play our part in creating a sustainable future using our own independent assessment of what we determine is reasonable and achievable and will serve the best interest of our business and serving our clients. While we pursue these targets, we note that they are subject to other prerequisites and critical considerations, both within and outside our control. These include the necessity of technological advancements, the evolution of consumer behavior and demand, the need for thoughtful climate policies, the potential impact of legal and regulatory obligations and the challenge of balancing short-term targets with the need to facilitate an orderly transition and energy security.

## Disclaimers

The information provided in this document reflects JPMorgan Chase's approach to climate-related issues as at the date of this document and is subject to change without notice. We do not undertake to update any of such information in this document.

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to, among other things, our goals, targets, aspirations and objectives, and are based on the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties, many of which are beyond JPMorgan Chase's control. Expected results or actions may differ from the anticipated goals, approaches and targets set forth in the forward-looking statements. In addition, our ability to measure many of our goals and targets is dependent on data that, in some instances, is measured, tracked and provided by our clients, other stakeholders, and third-party data providers; our ability to measure progress toward our goals and targets is subject to the quality and availability of such data. Factors that could cause JPMorgan Chase's actual results to differ materially from those described in the forward-looking statements include the necessity of technological advancements, the evolution of consumer behavior, the need for thoughtful climate policies, the potential impact of legal and regulatory obligations, and the challenge of balancing our short-term targets with the need to facilitate an orderly transition and energy security. Additional factors can be found in JPMorgan Chase's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. Those reports are available on JPMorgan Chase's website (<https://jpmorganchaseco.gcs-web.com/ir/sec-other-filings/overview>) and on the Securities and Exchange Commission's website (<https://www.sec.gov/>). JPMorgan Chase does not undertake to update any forward-looking statements.

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