

ONE HUNDRED EIGHTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON THE JUDICIARY

2138 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6216

(202) 225-6906
judiciary.house.gov

July 30, 2024

Ms. Penny Lowes
Chair of the Board of Directors
United Church Funds
475 Riverside Drive
Suite 1020
New York, NY 10027

Dear Ms. Lowes:

The Committee on the Judiciary is conducting oversight of the adequacy and enforcement of U.S. antitrust laws.¹ As detailed in its June 11, 2024, interim report, enclosed for your reference, the Committee has uncovered evidence that financial institutions are colluding with climate activists through initiatives like Climate Action 100+ to adopt left-wing environmental, social, and governance (ESG)-related goals, potentially in violation of U.S. antitrust law.² Accordingly, to inform our oversight, we write to ask United Church Funds, as a member of Climate Action 100+, to preserve documents and provide information.

Climate Action 100+ was “designed to harness the collective influence of” its investor signatories “to spur companies” on its focus list “to accelerate their emission reductions” to net zero in line with the Paris Agreement’s goal of limiting global warming.³ Notably, since the beginning of the Committee’s investigation, several of the world’s largest asset managers—including BlackRock, State Street Global Advisors, J.P. Morgan, PIMCO, and Invesco—have publicly withdrawn from Climate Action 100+.⁴ In total, “about a dozen” investor signatories have pulled out of Climate Action 100+ over the past six months.⁵

¹ Rules of the House of Representatives R. X (2023).

² U.S. House of Representatives Judiciary Committee, *Climate Control: Exposing the Decarbonization Collusion in Environmental, Social, and Governance (ESG) Investing* i (June 11, 2024).

³ *Id.* at 4.

⁴ Simon Jessop & Ross Kerber, JPMorgan, State Street Quit Climate Group, BlackRock Steps Back, Reuters (Feb. 15, 2024), <https://www.reuters.com/sustainability/sustainable-finance-reporting/jpmorgan-fund-arm-quits-climate-action-100-investor-group-2024-02-15/>; see also Simon Jessop, *Invesco Joins List of US Asset Managers to Exit CA100+ Climate Group*, Reuters (Mar. 1, 2024), <https://www.reuters.com/sustainability/invesco-joins-list-us-asset-managers-exit-ca100-climate-group-2024-03-01/>.

⁵ *Climate Control: Decarbonization Collusion in Environmental, Social, and Governance (ESG) Investing*, 118th Cong. 56 (2024) (testimony of Mindy Lubber, President and CEO, Ceres).

To further its investigation, the Committee requests that United Church Funds answer the questions below and provide the following information:

1. Under Climate Action 100+'s recently announced Phase Two, investor signatories "ask companies to not only disclose but to implement robust transition plans and to take action with a wider set of stakeholders to address the sectoral barriers to the net zero transition."⁶ Specifically, investor signatories are required to "[t]ake action to reduce greenhouse gas emissions across the value chain."⁷ How does United Church Funds plan to engage the Climate Action 100+ focus companies in its portfolio to "[t]ake action to reduce greenhouse gas emissions across the value chain"?
2. What requests will United Church Funds make of the Climate Action 100+ focus companies in its portfolio to "[t]ake action to reduce greenhouse gas emissions across the value chain"?
3. What tactics will United Church Funds use to encourage the Climate Action 100+ focus companies in its portfolio to agree to its requests?
4. How does United Church Funds plan "to take action with a wider set of stakeholders to address the sectoral barriers to the net zero transition"?

Please provide responses to the Committee's requests as soon as possible, but by no later than August 13, 2024, at 12:00 p.m.

Further, as a Climate Action 100+ signatory, the Committee has reason to believe that United Church Funds may be in possession of documents and communications related to Climate Action 100+'s collusive activity. Accordingly, the Committee requests that United Church Funds preserve the following materials:

1. All documents and communications referring or relating to the company's role as an investor signatory of Climate Action 100+;
2. All documents and communications referring or relating to the company's coordination or interactions with Climate Action 100+, investor signatories, or focus list companies; and
3. All documents and communication referring or relating to the company's efforts to advance ESG-related goals.

⁶ Climate Action 100+, Climate Action 100+ Phase 2: Summary of Changes 6, <https://www.climateaction100.org/wp-content/uploads/2023/06/CA100-Phase-2-Summary-of-Changes.pdf>.

⁷ Climate Action 100+, *Climate Action 100+ Signatory Handbook* 7 (June 2023), <https://www.climateaction100.org/wp-content/uploads/2023/06/Signatory-Handbook-2023-Climate-Action-100.pdf>.

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This letter serves as a formal request to preserve all existing and future records and materials relating to the topics addressed in this letter. You should construe this preservation notice as an instruction to take all reasonable steps to prevent the destruction or alteration, whether intentionally or negligently, of all documents, communications, and other information, including electronic information and metadata, that are or may be responsive to this congressional inquiry. This instruction includes all electronic messages sent using your official and personal accounts or devices, including records created using text messages, phone-based message applications, or encryption software.

Pursuant to Rule X of the Rules of the House of Representatives, the Committee is authorized to conduct oversight of and legislate on matters relating to the “[p]rotection of trade and commerce against unlawful restraints and monopolies.”⁸ If you have any questions about this request, please contact Committee staff at (202) 225-6906. Thank you in advance for your prompt attention to this matter.

Sincerely,



Jim Jordan
Chairman



Thomas Massie
Chairman
Subcommittee on the Administrative
State, Regulatory Reform, and
Antitrust

cc: The Honorable Jerrold Nadler, Ranking Member

The Honorable Lou Correa, Ranking Member, Subcommittee on the Administrative
State, Regulatory Reform, and Antitrust

Enclosure

⁸ Rules of the House of Representatives R. X (2023).