



Jamie Dimon
CEO and Chairman
JPMorgan Chase & Co
383 Madison Avenue
New York, NY 10017

Dear Mr. Dimon,

We are writing on behalf of the Interfaith Center on Corporate Responsibility (ICCR), a coalition of over 300 global institutional investors that collectively represent more than \$4 trillion in managed assets, to express our concern over J.P. Morgan Asset Management's 2022 proxy voting record on shareholder proposals related to environmental, social and governance (ESG) risks. Our members, many of whom are J.P. Morgan stockholders and clients, are long-term investors who believe that a company's management of environmental and social risks, and commitment to strong governance, are essential to long-term value creation.

As you may know, there has been increasing scrutiny of the proxy voting records of asset managers on ESG-related shareholder proposals and on Board oversight of these issues. Research from [Morningstar](#), [Majority Action](#), [ShareAction](#), [Georgeson](#), and others reflects asset owners' heightened expectations of their asset managers to address these material risks in their proxy voting. While we are mindful of the recent pressures fund managers face from parties attempting to discredit ESG, the fiduciary case for integrating material ESG risk factors into investment decisions and proxy voting is clear and irrefutable.

As a signatory to the United Nations Principles for Responsible Investing and Net Zero Asset Managers initiative, we appreciate JP Morgan Asset Management's commitment to climate and investment stewardship. Yet despite its clearly articulated [recognition of the materiality of climate risk](#), J.P. Morgan Asset Management's proxy voting record on climate-related proposals and board oversight of climate risks in 2022 was lacking. According to [ShareAction's recent ranking of the top 68 managers'](#) voting record on 252 shareholder proposals on proxy in 2022, J.P. Morgan Asset Management Investments ranked 57th in 68 asset managers assessed. J.P. Morgan Asset Management supported only 37% of overall proposals, and only 43% of environmental resolutions examined (vs [50% of environmental resolutions supported in 2021](#)).

Furthermore, Majority Action's report on [Fulfilling the Promise 2023: How Climate Action 100+ Investor-Signatories Can Mitigate Systemic Climate Risk](#) indicates that J.P. Morgan Asset Management supported all directors at 97.4% of U.S.-based Climate Action 100+ focus companies and supported all but one of the ten directors opposed and flagged for an "Against" vote by Climate Action 100+ investors at U.S. companies, despite being among the top four CA100+ signatories in terms of assets under management.

J.P. Morgan Asset Management's voting record on shareholder resolutions related to social policy issues, particularly those related to racial justice, was even worse than its voting record on environmental

proposals. J.P. Morgan Asset Management supported only 25% of social policy-related proposals assessed by ShareAction in 2022 vs supporting [31% of such proposals in 2021](#). Among major asset managers (those with more than \$1trillion in assets under management) J.P Morgan was ranked in the five lowest supporters of racial equity audit proposals at S&P 500 companies by Majority Action's report on [Equity in the Boardroom, 2022](#). Many of these racial equity audit proposals received strong support from other shareholders with some receiving majority votes and many others being withdrawn by their proponents due to successful agreements reached in dialogue.

[Morningstar's analysis](#) of asset manager voting on key resolutions, i.e. those shareholder resolutions addressing environmental or social themes that were supported by 40% or more of a company's independent shareholders, indicates that J.P. Morgan Asset Management's overall support for key resolutions over the last three years "has closely matched that of the top 20 U.S. managers overall. The firm's overall support for key resolution is 59% over the period, matching the median level for the top 20". However as clients and as shareholders we would like to see J.P. Morgan do better.

In summary, as a coalition of long-term investors, including many stockholders and clients of J.P. Morgan Asset Management, we want to underscore that we see the management of material ESG risks as critical to long-term value creation and the safeguarding of shareholder value. As a fiduciary managing the assets of millions of clients, we believe J.P. Morgan Asset Management has an obligation to fully leverage its proxy voting powers to mitigate those ESG risks.

We look forward to your response, which we will gladly share with ICCR members. We will continue to monitor J.P. Morgan Asset Management's proxy voting practices and, in the meantime, would welcome a discussion with management regarding the issues raised in this letter. My colleague Tim Smith, Senior Policy Advisor (tsmith@iccr.org) will be glad to coordinate a call.

Sincerely,



Josh Zinner, CEO

CC:

Yo Takatsuki, Global Head of Investment Stewardship

Linda Scott, SVP, Associate Corporate Secretary

Nishesh Kumar, Managing Director. Proxy Voting

Tim Smith, Senior Policy Advisor, ICCR