Whereas: JPMorgan Asset Management (JPMAM) is a respected global financial services leader.

JPMAM understands the urgency and materiality of climate risk and its negative impact on companies and the economy. Jamie Dimon's 2023 letter to shareholders says "The window for action to avert the costliest impacts of global climate change is closing. … (We) — companies and investors — need to become more active and involved in proxy issues each year to foster better communication between the investors and the board of the companies they own".[1]

However, JPMAM's voting record on climate-related proposals has dropped dramatically putting us far behind other investment firms. According to ShareAction's 2022 ranking of the top 68 managers voting record on 252 shareholder proposals, JPMAM ranked 57th of 68 asset managers assessed.

In 2023 JPMAM votes declined further on climate and racial justice resolutions, for example voting for only 15 climate resolutions out of 65 (from NPX filings of S&P 500 companies provided by Diligent).

This proxy voting record seems inconsistent with JPMAM's membership in several investing initiatives:

- The Principles for Responsible Investment (PRI), a global investor network representing over $120 trillion in assets, urges investors to vote on ESG issues prioritizing "addressing systemic sustainability issues".
- The Net Zero Asset Managers Initiative supports voting policies consistent with net zero emissions by 2050.

When voting, JPMAM looks primarily at near-term risk for a specific company, not risk to the whole portfolio which we believe is shortsighted.

The PRI and the Chartered Financial Analyst Institute recently announced a new definition of stewardship:

> *"The use of investor rights and influence to protect and enhance overall long-term value for clients and beneficiaries, including the common economic, social, and environmental assets on which their interests depend…*
> *Investor influence does not constitute stewardship unless it is used to protect and enhance overall long-term value for clients and beneficiaries. Using influence to promote short-term performance or the performance of individual companies, industries, or markets, without regard to overall value, does not constitute stewardship."* [2]

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[1] https://reports.jpmorganchase.com/investor-relations/2022/ar-ceo-letters.htm

[2] https://www.unpri.org/investment-tools/definitions-for-responsible-investment-approaches/11874.article

Similarly, diversity issues are of material importance to companies and investors. For years JPMAM worked to be a diversity leader, yet its proxy voting on diversity issues are misaligned with its stated positions.

We further believe fiduciary responsibility requires evaluating the impacts of climate and diversity risks on both portfolio companies and total portfolios. Thus, we request this special review.

Resolved: Shareowners request the Board of Directors initiate a review of both JPMAM's 2023 proxy voting record and proxy voting policies related to diversity and climate change and report results to shareholders, prepared at reasonable cost, omitting proprietary information.

Supporting statement: Proponents suggest the review include the following:

- Any misalignment of JPMAM's policy and voting record with the goals of the Paris Agreement, industry initiatives of which JPMAM or the bank is part and JPMAM's own stated policies.
- A comparison with the voting records of other major investment firms and mutual funds.
- Recommendations for strengthening voting guidelines on diversity and climate-related issues.