

Presenting the genocide-free investing shareholder proposal at the JPMorgan Chase May 15, 2012 shareholder meeting

My name is William Rosenfeld, a founder of Investors Against Genocide. I'm here to present my shareholder proposal which asks JPMorgan to avoid investments in companies substantially contributing to genocide.

I was here a year ago. Once JPMorgan understood the consequences of its investments, I expected the company to change its policies. Sadly, the only visible change has been that the company increased its shares in the worst company tied to genocide by 31% since the beginning of last year¹. As a result, people investing with JPMorgan are still inadvertently linked to companies tied to the atrocities in Sudan.

I am truly at a loss to understand JPMorgan's opposition to this proposal. The company claims that its "business practices reflect our support and respect for the protection of fundamental human rights and the prevention of crimes against humanity". Do they? Then how can JPMorgan invest in a company connected to genocide?

As a signatory to the UN Principles for Responsible Investment, JPMorgan has agreed to: "incorporate ESG issues into investment analysis" and to "better align investors with broader objectives of society." 67 years after the end of the Holocaust, 18 years after the genocide in Rwanda, and 9 years since the start of genocide in Darfur, how can a company that accepts these responsibilities fail to act against genocide?

There is no compelling reason for these investments. No fiduciary responsibility requires them. Avoiding the very small number of problem companies need not affect financial returns.

The company says it holds securities "in many different capacities" implying that others are responsible for its problematic investments. This claim ignores JPMorgan's role in selecting investments. Furthermore, why doesn't JPMorgan at least demonstrate good faith by acting on the shares it directly controls? If 30 states, 61 colleges, TIAA-CREF, TRowe Price, and American Funds can all take steps to avoid investments tied to genocide, why can't JPMorgan?

Since 1997, US sanctions have prohibited American companies from doing business with Sudan's oil industry. Therefore, ExxonMobil is precluded from supporting Sudan's oil industry, but JPMorgan has three and a half billion dollars invested in foreign companies that provide these same services. How can the company claim to support sanctions "in letter and spirit"?

Directors, I ask you to live up to your ideals. I ask you to support the values of your customers who do not want their savings tied to genocide, in Sudan today or anywhere else in the future. This proposal is not difficult and it is well within your abilities. Moreover, in the face of genocide, it is the right choice, right for your customers, and right for your business.

¹ JPMorgan PetroChina holdings on the Hong Kong exchange on January 6, 2011 and April 10, 2012