

Proposal To Report On Investments Tied To Genocide

WHEREAS

We believe that JPMorgan should reconcile its investment practices with its published values because:

1. In 2011 - 2014, JPMorgan opposed the “genocide-free investing” proposal which asks the firm to avoid investments in companies that, in management's judgment, substantially contribute to genocide or crimes against humanity.
2. JPMorgan's resistance to “genocide-free investing” is inconsistent with its corporate values because JPMorgan:
 - a) Publicizes that it “supports fundamental principles of human rights across all lines of its business and in each region of the world;”
 - b) Commits to the “development of best practices relating to the promotion of human rights;”
 - c) Seeks “to incorporate respect for human rights and demonstrate a commitment to fundamental principles of human rights through our own behavior;”
 - d) Is a signatory to the UN Principles for Responsible Investment, through which JPMorgan agrees to “incorporate ESG issues into investment analysis and decision-making processes” and “better align investors with broader objectives of society;”
 - e) Uses “risk management processes and procedures to consider human rights and other reputational issues,” but disregards connections to genocide, an inherent risk factor;
 - f) Claimed it “fully abides by [U.S. sanctions] restrictions in letter and spirit,” yet for years knowingly made investments that, while legal, are inconsistent with U.S. sanctions that prohibited transactions relating to Sudan and Syria's petroleum industries;
 - g) Has a “Know Your Customer” program to avoid relationships with companies that jeopardize JPMorgan’s reputation, yet senior managers claimed complete ignorance of PetroChina even after voting against shareholder proposals that focused explicitly on PetroChina.
3. Examples demonstrate that JPMorgan inadequately protects shareholders from investments in companies connected to genocide because JPMorgan and funds it manages:
 - a) Are large holders of PetroChina (1.4 billion shares, 7% of shares outstanding, 9/15/2017.) PetroChina is the publicly traded arm of its controlling parent, CNPC, which is Sudan’s largest oil partner, and thereby helps fund ongoing government-sponsored genocide and crimes against humanity. CNPC is also Syria's largest oil partner, and thereby helps fund that government's mass atrocities.
 - b) Have been one of the world’s largest holders of PetroChina since 2005, even after Investors Against Genocide raised this issue with JPMorgan in 2007, despite knowing PetroChina’s connection to funding genocide in Sudan, and despite knowing that U.S. sanctions explicitly prohibited American companies from doing business with

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Sudan's oil industry and still prohibit American companies from doing business with Syria's oil industry.

4. Other large financial firms, including T. Rowe Price and TIAA-CREF, have policies to avoid investments tied to genocide.
5. KRC Research's 2010 study showed that 88% of respondents want their mutual funds to be genocide-free. Details are available at www.investorsagainstgenocide.org/resources.

RESOLVED

Shareholders request that the Board of Directors report to shareholders, at reasonable expense and excluding confidential information, an analysis of how JPMorgan's published corporate values align with its policies regarding investments in companies tied to genocide or crimes against humanity, and specifically explain how its investments in CNPC/PetroChina are consistent with its published corporate values.