UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

April 1, 2025

Brian V. Breheny
Skadden, Arps, Slate, Meagher & Flom LLP

Re: JPMorgan Chase & Co. (the "Company")
Incoming letter dated January 17, 2025

Dear Brian V. Breheny:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Paul Rissman and co-filers for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests the board of directors issue a report disclosing whether and how the Company addresses the potential risks and opportunities related to the social impacts of the Company's transition finance efforts.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, based on the information you have presented, the Company has not demonstrated that the Proposal relates to its ordinary business operations. In addition, in our view, the Proposal does not seek to micromanage the Company.

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: Khadija Foda
Sanford Lewis & Associates

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January 17, 2025

VIA STAFF ONLINE FORM

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal Submitted by Paul Rissman and co-filers[1]

Ladies and Gentlemen:

This letter is submitted on behalf of JPMorgan Chase & Co., a Delaware corporation (the "Company"), pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company requests that the staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") not recommend enforcement action if the Company omits from its proxy materials for the Company's 2025 Annual Meeting of Shareholders (the "2025 Annual Meeting") the shareholder proposal and supporting statement (the "Proposal") submitted by Paul Rissman (the "Proponent") and co-filers.

This letter provides an explanation of why the Company believes it may exclude the Proposal and includes the attachments required by Rule 14a-8(j). In accordance with relevant Staff guidance, we are submitting this letter and its attachments to the Staff through the Staff's online Shareholder Proposal Form. A copy of this letter also is

[1] The following shareholders have co-filed the Proposal: Benedictine Sisters of Mount St Scholastica and Harrington Investments, Inc. The co-filers' submissions and related correspondence are not relevant to this no-action request and have been omitted from the exhibits hereto but may be supplementally provided upon the Staff's request.

being sent to the Proponent as notice of the Company's intent to omit the Proposal from the Company's proxy materials for the 2025 Annual Meeting.

Rule 14a-8(k) and Section E of Staff Legal Bulletin No. 14D (Nov. 7, 2008) provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent submits correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be furnished concurrently to the Company.

Background

The Company received the Proposal via email on December 9, 2024, along with a cover letter from the Proponent. On December 11, 2024, the Company received an email from the Proponent with a copy of a letter from Sanford C. Bernstein & Co., LLC, verifying the Proponent's stock ownership in the Company. Copies of the Proposal, cover letter and related correspondence are attached hereto as Exhibit A.[2]

Summary of the Proposal

The text of the resolution contained in the Proposal follows:

> **Resolved**: Shareholders request the Board of Directors of JPMorgan Chase (JPM) issue a report disclosing whether and how the Company addresses the potential risks and opportunities related to the social impacts of JPM's transition finance efforts.

Basis for Exclusion

We hereby respectfully request that the Staff concur in the Company's view that it may exclude the Proposal from the proxy materials for the 2025 Annual Meeting pursuant to Rule 14a-8(i)(7) because the Proposal deals with matters relating to the Company's ordinary business operations.

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[2] Exhibit A omits correspondence between the Company and the Proponent that is irrelevant to this request, such as the aforementioned letter from Sanford C. Bernstein & Co., LLC and subsequent response. *See* the Staff's "Announcement Regarding Personally Identifiable and Other Sensitive Information in Rule 14a-8 Submissions and Related Materials" (Dec. 17, 2021), available at https://www.sec.gov/corpfin/announcement/announcement-14a-8-submissions-pii-20211217.

Analysis

The Proposal Should Be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to the Company's Ordinary Business Operations.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. As demonstrated below, the Proposal implicates this second consideration.

The Staff has consistently agreed that shareholder proposals attempting to micromanage a company by probing too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment are excludable under Rule 14a-8(i)(7). *See* 1998 Release; *see also, e.g.*, *Johnson & Johnson* (Mar. 1, 2024); *Amazon.com, Inc.* (Apr. 7, 2023, *recon. denied* Apr. 20, 2023); *JPMorgan Chase & Co.* (Mar. 22, 2019); *Royal Caribbean Cruises Ltd.* (Mar. 14, 2019); *Walgreens Boots Alliance, Inc.* (Nov. 20, 2018); *RH* (May 11, 2018); *Amazon.com, Inc.* (Jan. 18, 2018, *recon. denied* Apr. 5, 2018). As the Commission has explained, a proposal may probe too deeply into matters of a complex nature if it "involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies." *See* 1998 Release. In Staff Legal Bulletin No. 14L (Nov. 3, 2021) ("SLB 14L"), the Staff explained that a proposal can be excluded on the basis of micromanagement based "on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management."

In particular, the Staff has permitted exclusion on the basis of micromanagement of proposals that sought excessive and overly granular detail. For example, in *Air Products and Chemicals, Inc.* (Nov. 29, 2024), the Staff permitted exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on the company's policy and procedures governing direct and indirect lobbying and grassroots lobbying communications; payments used for direct or indirect lobbying or grassroots lobbying communications, in each case including the recipient and the amount of the payment; the company's membership in and payments to any tax-exempt organization that writes and endorses model legislation; and a description of management's decision-making process and the board's oversight for making the aforementioned payments. In permitting exclusion, the Staff noted that the proposal "seeks to micromanagement the

[c]ompany." Similarly, in *JPMorgan Chase & Co.* (Mar. 29, 2024), the Staff permitted exclusion under Rule 14a-8(i)(7) of a proposal that requested, for each of its sectors with a 2030 target, the Company annually disclose the proportion of sector emissions attributable to clients that are not aligned with a credible Net Zero pathway, whether this proportion of unaligned clients will prevent the Company from meeting its 2030 targets, and the actions it proposes to address any such emissions reduction shortfalls, noting that the proposal "seeks to micromanagement the Company." *See also Phillips 66* (Mar. 20, 2023) (permitting exclusion on the basis of micromanagement of a proposal that requested an audited report describing the undiscounted expected value to settle obligations for the company's asset retirement obligations with indeterminate settlement dates); *Valero Energy Corp.* (Mar. 20, 2023) (same); *Deere & Co.* (Jan. 3, 2022) (permitting exclusion on the basis of micromanagement of a proposal that requested annual publication of the "written and oral content of any employee-training materials" offered to the company's employees); *GameStop Corp.* (Apr. 25, 2023) (permitting exclusion on the basis of micromanagement of a proposal that requested the company provide detailed and current information regarding shareholder ownership of the company to the public and also provide a searchable history of this information).

The Staff also has permitted exclusion on the basis of micromanagement of shareholder proposals urging the adoption of policies that impose specific methods for implementing complex policies. *See, e.g., JPMorgan Chase & Co.* (Mar. 29, 2024) (permitting exclusion on the basis of micromanagement of a proposal that requested the Company to annually disclose the proportion of sector emissions attributable to clients that are not aligned with a credible Net Zero pathway, whether this proportion of unaligned clients would prevent the Company from meeting its 2030 targets, and the actions it proposes to address any such emissions reduction shortfalls); *Wells Fargo & Company* (Mar. 6, 2024) (same); *The Goldman Sachs Group, Inc.* (Mar. 4, 2024) (same); *Bank of America Corporation* (Feb. 29, 2024, *recon. denied* Apr. 15, 2024) (same). Similarly, in *Amazon.com, Inc.* (Apr. 7, 2023, *recon. denied* Apr. 20, 2023), the Staff permitted exclusion under Rule 14a-8(i)(7) of a proposal that would have required the company to adopt a particular methodology for scope 3 greenhouse gas emissions measuring and reporting that was inconsistent with the company's existing approach. In its response, the Staff noted that "the [p]roposal seeks to micromanage the [c]ompany by imposing a specific method for implementing a complex policy disclosure without affording discretion to management." *See also The Coca-Cola Co.* (Feb. 16, 2022) (permitting exclusion on the basis of micromanagement of a proposal requesting that the company submit any proposed political statement to shareholders at the next shareholder meeting for approval prior to issuing the subject statement publicly); *Rite Aid Corp.* (Apr. 23, 2021, *recon. denied* May 10, 2021) (permitting exclusion on the basis of micromanagement of a proposal requesting the board adopt a policy that would prohibit equity compensation grants to senior executives when the company common stock had a market price lower than the grant date market price of any prior equity compensation grants to such executives); *JPMorgan Chase & Co.* (Mar. 30, 2018)

(permitting exclusion on the basis of micromanagement of a proposal that requested a report on the reputational, financial and climate risks associated with project and corporate lending, underwriting, advising and investing for tar sands production and transportation, noting that the proposal sought to "impose specific methods for implementing complex policies").

In this instance, the Proposal seeks to micromanage the Company by requesting overly granular detail and by imposing specific methods for implementing complex policies. Although couched as a request for disclosure, the Proposal would require the Company to analyze and assess "the potential risks and opportunities related to the social impacts of [its] transition finance efforts," which, as described below, would implicate intricate details over a wide range of topics and would limit the discretion of management by requiring the Company to modify its strategy for tracking and disclosing information related to numerous aspects of the Company's transition finance efforts. In this regard, the bulk of the supporting statement makes general claims about potential negative impacts from transition finance, touching on a wide variety of topics such as labor imbalances, potential social and political upheaval, rights of affected communities, human rights, public health and the environment. The supporting statement then asserts that "there is precious little in [the Company's] disclosures" on impacts from its transition finance efforts. The supporting statement further claims that "[the Company's] inadequate disclosure impairs investors' ability to understand how its transition finance plans safeguard shareholder returns."

If adopted, the Proposal would be unduly burdensome by requiring the Company to provide granular disclosure of "social impacts" related to its transition finance efforts. As a threshold matter, the Company would be required to determine which of its business activities constitutes "transition finance." While the supporting statement defines "transition finance" as "financial support that helps decarbonize high-emitting activities or enables the decarbonization of other economic activities," this extraordinarily broad definition, particularly the second part that relates to the "decarbonization of other economic activities," would implicate many different aspects of the Company's operations as a leading global financial services firm. Moreover, the Proposal would require the Company to report on whether and how it addresses "potential risks and opportunities" related to the "social impacts" of its business activities that provide "transition finance," all of which are broad terms that can encompass many different things. For instance, with respect to "social impacts," the supporting statement itself demonstrates the extraordinarily broad scope of the Proposal's requested disclosure by referencing the following topics as examples of social impacts from transition finance efforts: stranded human capital, human rights abuses, respect and partnership with communities, job loss/creation, unemployment, labor shortages, land use, pollution, social and political upheaval, job retraining and skill development, income support in job transitions, creating new green jobs, actively planning for economic diversification in affected communities, public health and supply

chain disruption. In addition, the Proposal also would require the Company to disclose how its transition finance efforts "safeguard shareholder returns"—which, again, is a broad phrase that could encompass any number of considerations. Thus, the Proposal's request seeks excessively granular information on a wide range of considerations that relate to the Company's transition finance efforts.

In addition, decisions concerning the Company's transition finance efforts and how to address any related impacts require complex business judgments and distinct assessments by the Company's teams across various functions regarding what the Company considers to be reasonable and achievable and will serve the best interest of its business and serving its clients. Moreover, in pursuing its goal of supporting the transition to a low-carbon economy, the Company must consider a number of factors both within and outside of its control. These include, among other things, the necessity of technological advancements; data quality and availability; the evolution of consumer behavior and demand; the business decisions of the Company's clients, who are responsive to their own stakeholders; the need for thoughtful climate polices; the potential impact of legal and regulatory obligations; market conditions; and the challenge of balancing short-term targets with the need to facilitate an orderly transition and energy security. How the Company addresses the complex issue of transition finance and its related impacts, after considering the numerous factors described above, involves exactly the type of day-to-day operational decisions that the 1998 Release and SLB 14L recognized as appropriate for exclusion under Rule 14a-8(i)(7). By mandating that the Company report on the risks and opportunities related to the social impacts of the Company' transition finance efforts, the Proposal seeks to impose specific methods for implementing complex policies and, therefore, probes too deeply into matters of a complex nature upon which shareholders, as a group, are not in a position to make an informed judgment.

In addition, the Proposal would micromanage the Company because it would undermine management's discretion in determining the substance and manner of its disclosure of information related to its transition finance efforts. The Company already produces detailed disclosure on its approach to climate change and has done so since its first Climate Report in 2018. The Company's robust disclosures include its ESG and Climate reporting, Carbon Compass Methodology, regulatory filings, website, press releases and various other reports and presentations. Over time, the Company has evaluated and refined its approach to disclosure to meet changing investor information needs and regulatory disclosure requirements in various jurisdictions around the world. As discussed in more detail above, the manner in which the Company implements its transition finance efforts and considers related impacts, and how it reports to investors on these matters, necessitates a careful and complex analysis and weighing of multiple factors. By forcing the Company to report on "social impacts" of its transition finance efforts, which, as described above, implicate an extraordinarily broad range of topics, the Proposal would remove the ability of management to evaluate and make judgments

regarding whether and how to communicate the Company's transition finance efforts to its investors and other stakeholders. Indeed, the Proposal's required disclosure is precisely the type of request that the Commission has determined would result in micromanagement. Accordingly, the Proposal should be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

Accordingly, the Proposal should be excluded pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

Conclusion

On the basis of the foregoing, the Company respectfully requests the concurrence of the Staff that the Proposal may be excluded from the Company's proxy materials for the 2025 Annual Meeting. If you have any questions or would like any additional information regarding the foregoing, please do not hesitate to contact me at (202) 371-7180. Thank you for your prompt attention to this matter.

Very truly yours,

Brian V. Breheny

Enclosures

cc: John H. Tribolati
Corporate Secretary
JPMorgan Chase & Co.

Paul Rissman

EXHIBIT A

(see attached)

[redacted]

From: Paul Rissman [redacted]
Sent: Monday, December 09, 2024 5:38 PM
To: Corporate Secretary
Cc: McGruder, Krista; Sanford Lewis
Subject: Re: Submission of shareholder proposal
Attachments: JPM filing letter 4.12.24.pdf; JPMorgan Shareholder Resolution Rissman 4.12.24.pdf

Categories: EXTERNAL SENDER – Review for phishing. Report if suspicious. For help visit go/phish

To whom it may concern,

Please acknowledge receipt of this shareholder proposal.

Regards,
Paul Rissman
Co-founder
Rights CoLab
www.rightscolab.org

> On Dec 4, 2024, at 11:05 AM, Paul Rissman [redacted] wrote:
>
> Dear Mr. Tribolati,
>
> Attached is a shareholder proposal intended for submission to the 2025 JPMorgan Chase & Co. Annual Meeting. Please acknowledge receipt.
>
> Sincerely,
> Paul Rissman
> Co-founder
> Rights CoLab
> www.rightscolab.org
>
>
>

December 4th, 2024

Via email

Office of the Secretary
JPMorgan Chase & Co.
383 Madison Avenue, 39th Floor
New York, NY 10179.
Attn: John H. Tribolati

Re: Shareholder proposal for 2025 Annual Shareholder Meeting

Dear Mr. Tribolati,

I am submitting the attached proposal (the "Proposal") pursuant to the Securities and Exchange Commission's Rule 14a-8 to be included in the proxy statement of JPMorgan Chase & Co. (the "Company") for its 2025 annual meeting of shareholders. I am the lead filer for the Proposal and may be joined by other shareholders as co-filers.

I have continuously beneficially owned, for at least three years as of the date hereof, at least $2000 worth of the Company's common stock. Verification of this ownership will be sent under separate cover. I intend to continue to hold such shares through the date of the Company's 2025 annual meeting of shareholders.

I am available to meet with the Company via teleconference on December 16th or 17th at noon Eastern. Any co-filers have authorized me to conduct the initial engagement meeting, but may participate subject to their availability.

I can be contacted on [redacted] or by email at [redacted] to schedule a meeting. Please feel free to contact me with any questions.

Sincerely,
Paul Rissman

Resolved: Shareholders request the Board of Directors of JPMorgan Chase (JPM) issue a report disclosing whether and how the Company addresses the potential risks and opportunities related to the social impacts of JPM's transition finance efforts.

Supporting Statement:

Transition finance[1] — financial support that helps decarbonize high-emitting activities or enables the decarbonization of other economic activities, is an important aspect of JPM's business. JPM's Center for Carbon Transition "is a key business within J.P. Morgan's Corporate Advisory" and assists its Commercial and Investment Bank "on a wide variety of strategic sustainability-focused transactions."[2] JPM states that it has a $1 trillion Green objective, of which $242 billion has already been financed or facilitated.[3] Managing the human element of this massive climate transition appears as important as technical innovation or development of new physical infrastructure.

Stranded human capital and human rights abuses can generate public resistance to the transition; in contrast, investment in the retraining of people, and demonstrating respect and partnership with communities can ease and accelerate the transition. Whether coal miners losing their jobs in Appalachia or land use and pollution conflict in communities targeted for lithium mining, climate transition faces backlash where the human element is ignored.[4] A study of the Environmental Justice Atlas database found that one quarter of projects opposed by environmental defenders were stopped through protest, litigation and other forms of popular mobilization.[5]

According to the World Economic Forum (WEF)[6] "[t]he green transition… could concentrate job creation in already tight labour markets… deepen[ing] unemployment in some regions while causing labour shortages in others…" WEF notes that this "could fuel social and political upheaval."

Thus, part of the work of transition finance is to support finance, public policy or other provisions for worker transition such as job retraining and skill development, income support in job transitions, creating new green jobs, and actively planning for economic diversification in affected communities.

The rights of communities are also at stake, such as in regions where mining of minerals critical to the green transition threatens human rights and the environment. Transition strategies must respect human rights, public health and the environment, or they risk community resistance and supply chain disruption.

Unfortunately, there is precious little in JPM's disclosures on this topic. References to mitigating negative impacts appear in its 2023 Development Finance Institution Annual Report and Methodology, which apply to any type of emerging markets investments, but not specifically

[1] https://www.weforum.org/stories/2023/01/davos23-transition-finance-decarbonization/
[2] https://www.jpmorgan.com/investment-banking/center-for-carbon-transition
[3] https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/Climate-Report-2024.pdf
[4] https://www.sciencedirect.com/science/article/abs/pii/S0301421518302301
[5] https://www.sciencedirect.com/science/article/pii/S0959378020301424?via%3Dihub
[6] https://intelligence.weforum.org/topics/a1Gb0000000pTDXEA2/key-issues/a1Gb00000015QJKEA2

to transition finance. Otherwise, disclosure concerning the social risks and opportunities of transition finance is absent in JPM's financial and sustainability reports, in contrast to its peer banks.[7] This is doubly concerning as JPM's "Green Progress" financing and facilitation has declined from 2022 to 2023.[8] JPM's inadequate disclosure impairs investors' ability to understand how its transition finance plans safeguard shareholder returns.

[7] https://www.iccr.org/wp-content/uploads/2024/11/ICCR-The-Role-of-Major-US-Banks-in-a-Just-Transition-to-a-Net-Zero-Carbon-Economy-FINAL.pdf

[8] https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/Climate-Report-2024.pdf

Sanford Lewis & Associates

PO Box 231
Amherst, MA 01004-0231

413 549-7333

sanfordlewis@strategiccounsel.net

February 20, 2025
Via website portal

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to JP Morgan Chase & Company Regarding Transition Finance on Behalf of Paul Rissman and co-filers

Ladies and Gentlemen:

Paul Rissman (the "Proponent") and co-filers[1], are beneficial owners of common stock of JPMorgan Chase & Co. ("JPMorgan" or the "Company") and have submitted a shareholder proposal (the "Proposal") to the Company.

I have been asked by the Proponent to respond to the letter dated January 17, 2025 ("Company Letter") sent to the Securities and Exchange Commission by Brian V. Breheny, of Skadden, Arps, Slate, Meagher & Flom LLP, acting on behalf of the Company. In that letter, the Company contends that the Proposal may be excluded from the Company's 2025 proxy statement.

We have redacted personal information consistent with the Staff's guidance. A copy of this letter is being emailed concurrently to Brian V. Breheny.

[1] The proposal was co-filed by the Benedictine Sisters of Mount St. Scholastica and Harrington Investments, Inc.

SUMMARY

The proposal requests that the Board of Directors of JPMorgan Chase & Co. ("JPMorgan" or the "Company") issue a report disclosing whether and how the Company addresses the potential risks and opportunities related to the social impacts of the Company's transition finance efforts. The Company Letter asserts that the Proposal is excludable under Rule 14a-8(i)(7) as relating to the Company's ordinary business operations and seeking to "micro-manage" JPMorgan.

However, the subject matter of the Proposal, the social impacts of transitioning to carbon-free activities to address climate change, transcends ordinary business and is significant generally and to JPMorgan in particular. JPMorgan touts its transition finance activities and has set ambitious goals with respect to financing sustainability focused transactions.

Additionally, the form of the request of the Proposal is not granular in nature, but rather merely asks for information on whether and how the Company addresses the risks and opportunities related to just transition concerns in its transition finance activities. The Proposal does not mandate that the Company *should* address these risks and opportunities nor does it mandate a particular way of doing so. As such, the Proposal affords management broad discretion and flexibility and does not micromanage.

PROPOSAL

Resolved: Shareholders request the Board of Directors of JPMorgan Chase (JPM) issue a report disclosing whether and how the Company addresses the potential risks and opportunities related to the social impacts of JPM's transition finance efforts.

Supporting Statement:

Transition finance[1] — financial support that helps decarbonize high-emitting activities or enables the decarbonization of other economic activities, is an important aspect of JPM's business. JPM's Center for Carbon Transition "is a key business within J.P. Morgan's Corporate Advisory" and assists its Commercial and Investment Bank "on a wide variety of strategic sustainability-focused transactions."[2] JPM states that it has a $1 trillion Green objective, of which $242 billion has already been financed or facilitated.[3] Managing the human element of this massive climate transition appears as important as technical innovation or development of new physical infrastructure.

Stranded human capital and human rights abuses can generate public resistance to the transition; in contrast, investment in the retraining of people, and demonstrating respect and partnership with communities can ease and accelerate the transition. Whether coal miners losing their jobs in Appalachia or land use and pollution conflict in communities targeted for lithium mining, climate transition faces backlash where the human element is ignored.[4] A study of the Environmental Justice Atlas database found that one quarter of projects opposed by environmental defenders were stopped through protest, litigation and other forms of popular mobilization.[5]

According to the World Economic Forum (WEF)[6] "[t]he green transition... could concentrate job creation in already tight labour markets... deepen[ing] unemployment in some regions while causing labour shortages in others..." WEF notes that this "could fuel social and political upheaval."

Thus, part of the work of transition finance is to support finance, public policy or other provisions for worker transition such as job retraining and skill development, income support in job transitions, creating new green jobs, and actively planning for economic diversification in affected communities.

The rights of communities are also at stake, such as in regions where mining of minerals critical to the green transition threatens human rights and the environment. Transition strategies must respect human rights, public health and the environment, or they risk community resistance and supply chain disruption.

Unfortunately, there is precious little in JPM's disclosures on this topic. References to mitigating negative impacts appear in its 2023 Development Finance Institution Annual Report and Methodology, which apply to any type of emerging markets investments, but not specifically to transition finance. Otherwise, disclosure concerning the social risks and opportunities of transition finance is absent in JPM's financial and sustainability reports, in contrast to its peer banks.[7] This is doubly concerning as JPM's "Green Progress" financing and facilitation has declined from 2022 to 2023.[8] JPM's inadequate disclosure impairs investors' ability to understand how its transition finance plans safeguard shareholder returns.

[1] https://www.weforum.org/stories/2023/01/davos23-transition-finance-decarbonization/

[2] https://www.jpmorgan.com/investment-banking/center-for-carbon-transition

[3] https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/Climate-Report-2024.pdf

[4] https://www.sciencedirect.com/science/article/abs/pii/S0301421518302301

[5] https://www.sciencedirect.com/science/article/pii/S0959378020301424?via%3Dihub

[6] https://intelligence.weforum.org/topics/a1Gb0000000pTDXEA2/key-issues/a1Gb00000015QJKEA2

[7] https://www.iccr.org/wp-content/uploads/2024/11/ICCR-The-Role-of-Major-US-Banks-in-a-Just-Transition-to-a-Net-Zero-Carbon-Economy-FINAL.pdf

[8] https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/Climate-Report-2024.pdf

I. The Proposal is not excludable under Rule 14a-8(i)(7) because it solely focuses on a significant social policy issue and does not micromanage.

The Company Letter asserts that under Rule 14a-8(i)(7) the subject matter of the proposal relates to JPMorgan's ordinary business operations and seeks to "micro-manage" the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. Company Letter at 3. However, the Company Letter mischaracterizes the Proposal, which solely focuses on a significant policy issue facing the Company and the economy: the potential risks and opportunities related to the social impacts of transitioning to carbon-free activities to address climate change. The proposal also does not micromanage the company — it is flexible and leaves management with broad discretion as to implementation.

A. Background on ordinary business and micromanagement

The legal framework for Rule 14a-8(i)(7) developed by the Commission, Staff, and the courts, including under Staff Legal Bulletins, comprises a three-part test:

Question 1. Ordinary Business. Does the proposal touch on "ordinary business"? That is, does it touch on issues that are integral to the day-to-day management and operations of the company?

Question 2. Significant Policy Issue. If the answer to Question 1 is yes, is the subject matter nevertheless a significant policy issue? In those cases in which a proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote. Examples recognized by the Commission and the Staff include such topics as climate change, environmental impact, human rights, discrimination, as well as virtually all issues of corporate governance.

Question 3. Micromanagement. Even if the proposal's subject matter transcends ordinary business, the proposal still may be excludable if the granularity of the proposal micromanages the company's business.

B. Regardless of whether the proposal touches upon the day-to-day business operations of JPMorgan it focuses solely on an important social policy issue significant to the Company: the potential risks and opportunities related to the social impacts of transitioning to carbon-free activities to address climate change

The Proposal here focuses on just transition concerns—i.e., "how the Company addresses the potential risks and opportunities related to the social impacts of JPM's transition finance efforts." This is an issue that transcends ordinary business and is significant to JPMorgan in particular.

Staff have previously found "just transition" a significant policy issue. In *Republic Services, Inc.* (March 27, 2024), Staff found a proposal relating to just transition concerns transcended ordinary business matters where shareholders asked for a report on how the company "is addressing the impact of its climate change strategy on relevant stakeholders, including but not limited to its employees, workers in its supply chain, and communities in which it operates, consistent with the 'Just Transition' guidelines of the International Labor Organization and indicators of the World Benchmarking Alliance."

Another recent precedent apropos to the current Proposal is *JPMorgan Chase & Co.* (National Legal and Policy Center) (March 29, 2024), where the shareholders requested an audit to analyze the impacts of the company's "climate transition policies regarding *the economic and humanitarian effects on emerging nations* which rely heavily on — but have limited access to — fossil fuels and other non-'renewable' sources of power." (emphasis added).

Shareholders there pointed out that Staff have repeatedly ruled against exclusion of climate related proposals at financial institutions given the significantly public policy issues concerned and also argued that the proposal at issue there "does not request a specific action, but merely an audit of how the Company's policies impact a broad societal issue." Even though the current Proposal and proponent have a different thrust – moving forward on the climate transition versus slowing it – the proposals have an identical "transcendent policy" focus on the humanitarian impacts of the climate transition. If the subject matter of that proposal transcended ordinary business, so does the current one.

Staff have previously found proposals seeking information about Company impacts on communities and workforces to transcend ordinary business

Staff have also recognized that proposals relating to the impact of a company's policies or business strategies on communities and workforces, i.e., social impacts, can raise significant policy issues. This line of precedent appears to have originated in Staff's refusal to grant a no-action letter in *Pacific Telesis* (February 2, 1989), which concerned a proposal that the company study the impact on communities of the closing or consolidation of company facilities. The Division of Corporation Finance stated that such proposals "involve substantial corporate policy considerations that go beyond the conduct of the Company's ordinary business operations." The SEC has more recently applied this analysis in *E.I. DuPont de Nemours & Company* (March 6, 2000) (denying exclusion of a proposal that sought information on "the impact to communities as a result of the closure of Dupont plants").

Subsequently the Division has found human capital management issues touching on safety and well-being of workers to raise a significant public policy issue. *See Dollar General Corporation* (March 31, 2023) (proposal addressed significant human capital management issues where shareholders sought audit on impact of policies on safety and well-being of workers); *General Electric Company* (February 3, 2004) (declining to exclude a proposal seeking a report evaluating risk to the company's brand name and reputation as a result of outsourcing and offshoring work to other countries).

There is a long line of Staff precedent allowing proposals seeking impact reports on issues related to human and civil rights. More recently, in *Alphabet Inc.* (April 12, 2022), Staff found a proposal to transcend ordinary business matters that requested a report assessing "policies on support for military and militarized policing agency activities and their impacts on stakeholders, user communities, and the Company's reputation and finances"); *McDonald's Corporation* (April 5, 2022) (proposal sought audit analyzing adverse impact of company policies and practices on civil rights of company stakeholders and to provide recommendations for improving the company's civil rights impact, mandating input from civil rights organizations and employees, among others); *Amazon.com, Inc.* (April 7, 2021) (proposal asked for racial equity audit of company's impacts on civil rights, equity, diversity and inclusion and impact of those on Amazon's business); *Amazon.com, Inc.* (March 28, 2019) reconsid. denied (April 3, 2019) (found

a proposal to transcend ordinary business matters that sought a study on, among other things, the impact of Amazon's Rekognition software on people of color, immigrants, and activists in the US).

Just transition is a significant issue to JPMorgan

JPMorgan is prominently involved in the business of transition finance—the Company has a "Center for Carbon Transition" which it describes as a "key business within J.P. Morgan's Corporate Advisory" which assists its Commercial and Investment Bank "on a wide variety of strategic sustainability-focused transactions."[2] In its 2024 Climate Report, the Company also states that it has a "$1 trillion Green objective" and that "since setting our target in 2021 through December 31, 2023, we have financed and facilitated $242 billion"[3]. The "Green objective" is intended to support climate initiatives and sustainability objectives and, in 2023, the Company financed and facilitated around $66 billion "particularly through green bond underwriting and financing for renewable and clean energy"[4], as demonstrated in their reporting below:

1 Scaling Green Solutions

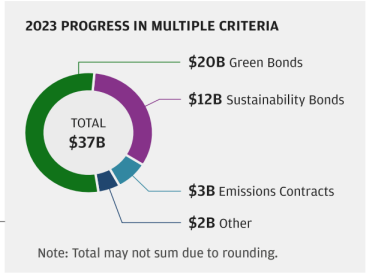
$1 Trillion for Green

In 2023, we financed and facilitated approximately $66 billion in support of our $1 trillion Green objective of our Sustainable Development Target ("SDT"), particularly through green bond underwriting and financing for renewable and clean energy, as shown in the table below. Collectively, since setting our target in 2021 through December 31, 2023, we have financed and facilitated $242 billion toward our $1 trillion Green objective. While we pursue our SDT, including the Green objective, we note that it is subject to other prerequisites and critical considerations, both within and outside our control.

To learn more about our progress toward our SDT and the activities it is designed to support and amplify across our business, refer to pages 9–13 of our 2023 ESG Report. Refer to Our Approach to Our Sustainable Development Target for more information on our criteria for determining which business activity is eligible to count toward our SDT and how we account for the value of transactions.

Cumulative Green Progress by Eligibility Criteria

	2022 $B	2023 $B	CUMULATIVE TOTAL[i] $B
Renewables and Clean Energy	$20	$15	$50
Clean Technology	$4	$4	$9
Sustainable Transportation	$2	$6	$30
Green Buildings	$4	$1	$7
Water Management	$2	$2	$10
Circular Economy and Waste Management	$1	$0	$1
Multiple Criteria	$37	$37	$134
Total	**$70**	**$66**	**$242**



Note: Totals may not sum due to rounding.

i. Total as cumulative progress from 2021 to 2023.

https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/Climate-Report-2024.pdf

Also, the Company, in its public reporting about transition finance and sustainability,

[2] https://www.jpmorgan.com/investment-banking/center-for-carbon-transition. *See also* Supporting Statement.

[3] https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/Climate-Report-2024.pdf at 3. *See also* Supporting Statement.

[4] https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/Climate-Report-2024.pdf at 6, 16.

references "just transition" in its disclaimer about forward-looking statements, informing investors that "[f]actors that could cause JPMorgan Chase's actual results to difer [sic] materially from those described in the forward-looking statements include . . . market conditions and *the challenge of balancing our commitment to short-term targets with the need to facilitate an orderly and just transition and energy security*."[5] Thus, clearly the Company recognizes the importance of just transition concerns in its business (in fact, so much so that it feels it necessary to warn investors about the impact it might have on statements JPMorgan is making about sustainability).

The subject matter is patently significant for JPMorgan.

C. Micromanagement

The Company Letter highlights that under the Commission's 1998 Release, micromanagement may arise where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies. The Company Letter then goes on to assert that the Proposal seeks overly granular and intricate information and tries to impose specific methods for company climate change disclosures, which it asserts as micromanagement.

This assertion in the Company Letter is fundamentally flawed. The Proposal does not seek intricate detail, nor does it seek to impose specific time-frames or methods for implementing complex policies. In addition, the Proposal defers to board or management discretion regarding the manner and method by which the Company would comply with the request to disclose whether and how it addresses just transition concerns in its internal policies. Lastly, the proposal does not mandate any specific outcome—the Company is not being affirmatively asked to address just transition concerns, just to disclose whether it does and, if so, how.

Articulating and applying the micromanagement standard

The Commission's 1998 Release — the most recent and authoritative Commission-level statement regarding the application of micromanagement — specified that proposals could ask for a reasonable level of detail without being seen as micromanaging.

> … in the Proposing Release we explained that one of the considerations in making the ordinary business determination was the degree to which the proposal seeks to micromanage the company. We cited examples such as where the proposal seeks intricate detail, or seeks to impose specific timeframes or to impose specific methods for implementing complex policies. **Some commenters thought that the examples cited seemed to imply that all proposals seeking detail, or seeking to promote timeframes or methods, necessarily amount to ordinary business. . .**
>
> **We did not intend such an implication. Timing questions, for instance, could involve significant policy where large differences**

[5] See, e.g., https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/jpmc-sdt-approach-2024.pdf

> **are at stake, and proposals may seek a reasonable level of detail without running afoul of these considerations.** (Emphasis added).

Under Staff Legal Bulletin 14M (SLB 14M), which reinstates prior Staff guidance with respect to Rule 14a-8(i)(7), the Division has clarified that it will, in assessing whether a proposal micromanages a company, "look to whether the proposal seeks intricate detail or imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board."

The form of the proposal rather than the subject matter is determinative of whether the Proposal micromanages

The Staff has long recognized that it is the form of a proposal, rather than the subject matter, that makes it proper or improper for shareholder consideration:

> It is important to note, however, that the staff's concurrence with a company's micromanagement argument does not necessarily mean that the subject matter raised by the proposal is improper for shareholder consideration. Rather, in that case, it is the manner in which a proposal seeks to address an issue that results in exclusion on micromanagement grounds.[6]

In this instance the Company has not, and cannot, assert that the Proposal is substantially implemented under Rule 14a-8(i)(10). Instead, the Company Letter asserts that the Proposal micromanages, implying that the Proposal requests more specific disclosure than shareholders are reasonably entitled through the shareholder proposal process. This is a fundamentally flawed interpretation of the proposal as well as Rule, Commission and Staff guidance. In this instance the flexible proposal merely asks for information on "whether and how" the company addresses the potential risks and opportunities related to just transition in its transition finance efforts — a reasonable request for shareholder input.

Examining the text of the Proposal for micromanagement concerns

An examination of the Proposal's text demonstrates substantial flexibility for board and management discretion. The Proposal's resolved clause reads as follows:

> Shareholders request the Board of Directors of JPMorgan Chase (JPM) issue a report disclosing whether and how the Company addresses the potential risks and opportunities related to the social impacts of JPM's transition finance efforts.

The Supporting Statement adds that "disclosure concerning the social risks and opportunities of transition finance is absent in JPM's financial and sustainability reports, in contrast to its peer banks"[7] and that the Company's "inadequate disclosure impairs investors' ability to understand how its transition finance plans safeguard shareholder returns."

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[6] Staff Legal Bulletin 14J (reinstated by SLB 14M).

[7] Supporting Statement. Citing https://www.iccr.org/wp-content/uploads/2024/11/ICCR-The-Role-of-Major-US-Banks-in-a-Just-Transition-to-a-Net-Zero-Carbon-Economy-FINAL.pdf

These requests are not at all prescriptive or overly granular as suggested by the Company. The request included in the Proposal asks the Company to describe "*whether and how*" it address the risks and opportunities related to the social impacts of the Company's own transition finance efforts. As such, the current proposal is even in line with the Division's new guidance in SLB 14 M which, in clarifying how Staff will analyze proposals for micromanagement, provides an example of a permissible proposal which asks for a report describing "*if and how*" (emphasis added) a company plans to reduce total contribution to climate change and align operations and investments with Paris Climate Agreement target of maintaining global temperatures below 2 degrees Celsius. SLB 14 M explains that this proposal did not constitute micromanagement "because it deferred to management's discretion to consider *if and how* the company plans to reduce its carbon footprint..."

Similarly, here, it is evident that the Proposal *does not even seek to prescribe whether the Company should even address just transition concerns and does not prescribe how or when the Company should address these concerns.* In short, the Proposal allows the board and management to determine the best approach for its transition finance efforts; the Proposal merely asks the Company to provide more information on how, or more fundamentally *if*, its internal policy takes into consideration the risks and opportunities related to the social impacts of its transition finance activities.

The further discussions of the supporting statement regarding the potential types of social impacts—such as stranded human capital, human rights abuses, loss of jobs—are not, as JPMorgan suggests, mandates of the types of social impacts the Company must consider. *See* Company Letter at 5-6. The supporting statement is intended to give context to shareholders' request here. Management and the board still have it entirely within their discretion to decide to address social impacts in their transition finance activities and, if they do so, discretion to define what constitutes a "social impact". Thus, this added commentary does not restrict the discretion of the management; the commentary raises ideas to consider and reject as management deems appropriate.

Staff precedent does not support exclusion as micromanagement

Beyond textual analysis of the Proposal, the argument that the current Proposal micromanages is inapposite to prior Staff precedent and the broad discretion afforded to the board and management in the proposal. Contrary to the Company Letter, numerous prior Staff decisions have concluded that proposals seeking increased company disclosures surrounding climate transition activities are not excludable on the basis of micromanagement under Rule 14a-8(i)(7).

Most recently, the Staff issued two rulings disallowing exclusion at Starbucks which sought more specific and detailed information than the current proposal, rejecting the company's micromanagement arguments. The first of these proposals requested that the company issue "an annual report analyzing the congruency of (1) the Company's carbon emissions, including those generated by in-house personnel travel-related policies, during the preceding year, and (2) the Company's publicly stated environmental commitments." *Starbucks Corporation* (NCPPR) (January 17, 2025). In this instance, the company had touted a "decades-long commitment to find solutions to mitigate the impacts of climate change," and goals to halve its GHG emissions by 2030 and to reach net zero by 2050. The company had acknowledged the challenges of this goal and yet had notoriously allowed its new CEO to commute weekly from his California home

via private jet. Although the resolved clause merely asked for such an analysis of congruency, the supporting statement went even further (and notably, *much* further than the suggestions included in the current Proposal). It pondered whether the real issue is the over-ambition of the company's environmental goals and emissions reduction efforts, noting that "In order to comply with its fiduciary duties, the board should also determine whether (1) the commitments are unrealistic or (2) the emissions too much or (3) both. For example, the Company has published a goal of '50% absolute reduction in scope 1, 2 and 3 greenhouse (GHG) emissions representing all of Starbucks direct operations and value chain by 2030,' and yet FY22 and FY23 results showed an increase in emissions from the FY19 baseline. Furthermore, the recent issue involving CEO travel warrants updating any related assessments previously conducted." [Footnote omitted] Starbucks had asserted that the Proposal engaged in micromanagement, but the Staff found that the proposal was not overly prescriptive. As with the current Proposal, the proposal was framed around encouraging clarity from the company—there, as to whether its currently stated goals were realistic given current company activities, and here, as to whether and how JPMorgan considers the risks and opportunities related to the social impacts of its transition finance activities.

Similarly, in *Starbucks Corporation* (Humane Society) (January 17, 2025), the proposal requested the company to disclose details of its implementation plans and timelines for reaching its cage-free egg commitment in China and Japan. There had been ongoing questions as to whether the company could meet its commitment to produce cage free eggs, and the company's plans and commitment for the region were closely held and not publicly disclosed. This proposal was thus a request to show investors how Starbucks planned to meet its own commitment. Here, shareholders are merely seeking to understand what JPMorgans policy *is* with respect to a certain issue.

The current proposal request is akin to *J.B. Hunt Transport Services, Inc.* (February 7, 2020), where Staff were unable to concur Rule 14a-8(i)(7) provided a basis to exclude shareholders' request for a report describing "if, and how, [the company] plans to reduce its total contribution to climate change", among other things. *See also Comcast Corporation* (April 13, 2022) (proposal requested a report on the alignment between the board's assessment of current retirement plan options with climate action goals with the current retirement plan options).

Many other proposals analogous to the current one have also been found not to micromanage because, as in these recent examples, the proposals simply asked the given company to provide investors with better transparency regarding company policies and related company actions. As an example, Staff have long declined to exclude other proposals that sought detailed information on environmental activities. *See Exelon Corporation* (March 12, 2019) (proposal requested ongoing annual reports of incurred company costs and benefits accruing to shareholders, public health, and the environment from the company's related voluntary activities that exceeded applicable U.S. legal requirements); *Chevron Corporation* (March 28, 2018) (proposal requested report describing how the company could adapt its business to align with a decarbonizing economy by altering energy sources to reduce reliance on fossil fuels).

The first set of precedents JPMorgan appears to formulaically rely on are inapplicable in the context of its micromanagement argument here as relating to proposals that were clearly prescriptive and sought to direct companies' activities in a targeted fashion. *See Johnson & Johnson* (March 1, 2024) (proposal requested the adoption of a policy that required "Company

directors to disclose their expected allocation of hours among all formal commitments set forth in the director's official bio."); *JPMorgan Chase & Co.* (March 22, 2019) (proposal requested adoption of a policy "prohibiting the vesting of equity-based awards for senior executives due to a voluntary resignation to enter government service"); *Royal Caribbean Cruises Ltd.* (March 14, 2019) (proposal requested that shareholders approve any future open market share repurchase programs or stock buybacks); *Walgreens Boots Alliance, Inc.* (November 20, 2018) (proposal sought information about corporate governance changes in response the opioid epidemic including information on, among other things "how Walgreens has changed senior executive incentive compensation arrangements"); *RH* (May 11, 2018) (proposal "strongly encouraged" enactment of a policy to ensure a specific type of product was not sold by the company); *Amazon.com, Inc.* (Jan. 18, 2018, *recon. denied* Apr. 5, 2018) (proposal mandated that the company "shall" list a certain kind of showerhead before other types and provide a description).

The Proposal does not seek excessive or overly granular detail and does not impose specific methods for implementing complex policies

JPMorgan asserts that the Proposal would require an analysis and assessment of the potential risks and opportunities related the social impacts of the Company's transition finance efforts which "would implicate intricate details over a wide range of topics and would limit the discretion of management by requiring the Company to modify its strategy for tracking and disclosing information related to numerous aspects of the Company's transition finance efforts." However, this argument ignores the broad flexibility the proposal leaves the Company in defining what is a social impact and whether and how the Company addresses risks and opportunities related to that topic. The proposal merely asks the company to disclose *whether* the Company takes into account just transition risks and opportunities in its transition finance efforts and, if so, *how* the company does so. The Company is entirely free to determine *whether* it will address these considerations and *how* to do so. JPMorgan's position is also inconsistent with its existing reporting on sustainability issues.

JPMorgan asserts that the initial challenge would be identifying which of its business activities constitute "transition finance" and argues that the definition in the supporting statement, of "financial support that helps decarbonize high-emitting activities or enables the decarbonization of other economic activities," is "extraordinarily broad". *Id*. However, JPMorgan has proven itself adept at categorizing its business activities in related contexts, so for the Company to argue that this is an overly onerous request is hard to fathom.

For example, in its 2024 report entitled "Our Approach to Our Sustainable Development Target", JPMorgan identifies within its business "Eligible Sustainable Development Activities" for its three sustainability objectives:

Eligible Sustainable Development Activities

We have developed criteria for the types of activities that are eligible to qualify toward our Target, as detailed below. In the development of the Target's criteria and methodology, we took into account international market practices and industry standards, such as the United Nations Sustainable Development Goals ("SDGs"), the International Capital Market Association's Green Bond Principles ("GBP"), Social Bond Principles ("SBP") and Sustainability Bond Guidelines ("SBG"), and the International Finance Corporation's Anticipated Impact Measurement and Monitoring system. As such, transactions that align to certain recognized voluntary market standards – such as the GBP, SBP and SBG – are eligible to qualify toward our Target. We do not include transactions on the basis of pricing linked to Environment, Social, and Governance ("ESG")-related Key Performance Indicators, unless they have been assessed by the J.P. Morgan Development Finance Institution ("JPM DFI") methodology and determined to have development impact.

Eligibility criteria is subject to change as the sustainable finance industry evolves and industry guidelines are further developed. Subject to the governance process as outlined in the Governance section below, we may, in our discretion, include transactions that are aligned with the goals and purpose of the Target, even if they are not included as one of the examples listed below.

Green

Our Green objective is intended to support the development and scaling of climate solutions and sustainable resource management. These aims can support each other; certain climate solutions, such as reforestation, can also have positive impacts on nature, biodiversity and the sustainable management of resources. Eligible activities include transactions that finance, refinance or facilitate certain green objectives or support a client whose business model supports those green objectives. We also include green bonds and sustainability bonds that align with the GBP and SBG, respectively.

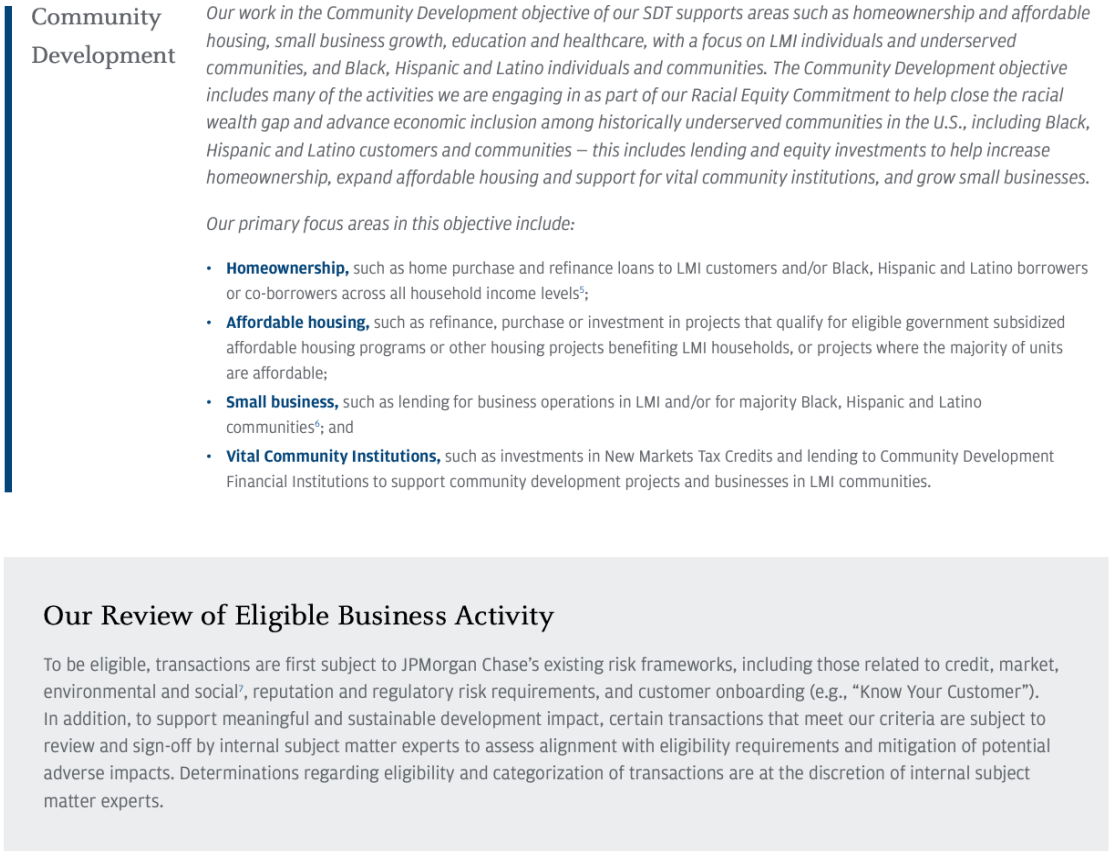
Our primary focus areas in this objective include:

- **Climate action,** including:
  - **Renewable and clean energy,** such as wind, solar, geothermal[2], hydropower, tidal, biogas, biomass, and hydrogen produced with renewable energy;
  - **Clean technology,** such as fuel cells, energy storage, energy efficient technologies, smart grids, and carbon capture;
  - **Sustainable transportation,** such as vehicles with zero tailpipe emissions (e.g., fully electric vehicles) and clean mass transportation[3];
  - **Green buildings,** such as retrofitting, rehabilitating or constructing accredited energy efficient buildings;
  - **Sustainable food,** such as regenerative agriculture, low-carbon agriculture technology, and alternative proteins; and
  - **Adaptation and resilience,** such as green infrastructure, disaster preparation (e.g., flood control) and transmission hardening.
- **Sustainable resource management,** including:
  - **Water management,** including water conservation and wastewater treatment;
  - **Circular economy and waste management,** including pollution prevention or control, recycling and land remediation; and
  - **Conservation and biodiversity,** including sustainable management or sustainable development of terrestrial or aquatic biodiversity ecosystems or forests.

Development Finance

The Development Finance objective of the SDT highlights the work of the JPM DFI, which works to mobilize capital toward sustainable development in emerging economies.

Transactions and activities that qualify toward the Development Finance objective are assessed to have anticipated development impact by the JPM DFI in accordance with its methodology[4], as updated from time to time and available on its website.



Community Development

Our work in the Community Development objective of our SDT supports areas such as homeownership and affordable housing, small business growth, education and healthcare, with a focus on LMI individuals and underserved communities, and Black, Hispanic and Latino individuals and communities. The Community Development objective includes many of the activities we are engaging in as part of our Racial Equity Commitment to help close the racial wealth gap and advance economic inclusion among historically underserved communities in the U.S., including Black, Hispanic and Latino customers and communities – this includes lending and equity investments to help increase homeownership, expand affordable housing and support for vital community institutions, and grow small businesses.

Our primary focus areas in this objective include:

- **Homeownership,** such as home purchase and refinance loans to LMI customers and/or Black, Hispanic and Latino borrowers or co-borrowers across all household income levels[5];
- **Affordable housing,** such as refinance, purchase or investment in projects that qualify for eligible government subsidized affordable housing programs or other housing projects benefiting LMI households, or projects where the majority of units are affordable;
- **Small business,** such as lending for business operations in LMI and/or for majority Black, Hispanic and Latino communities[6]; and
- **Vital Community Institutions,** such as investments in New Markets Tax Credits and lending to Community Development Financial Institutions to support community development projects and businesses in LMI communities.

Our Review of Eligible Business Activity

To be eligible, transactions are first subject to JPMorgan Chase's existing risk frameworks, including those related to credit, market, environmental and social[7], reputation and regulatory risk requirements, and customer onboarding (e.g., "Know Your Customer"). In addition, to support meaningful and sustainable development impact, certain transactions that meet our criteria are subject to review and sign-off by internal subject matter experts to assess alignment with eligibility requirements and mitigation of potential adverse impacts. Determinations regarding eligibility and categorization of transactions are at the discretion of internal subject matter experts.

https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/jpmc-sdt-approach-2024.pdf

JPMorgan goes on to reiterate that Proponent's request here would be "unduly burdensome" as it would require the Company "to provide granular disclosure of 'social impacts' related to its transition finance efforts." Company Letter at 5-6. The Company further argues that the term "social impacts" is overly broad, because when viewing this term in light of the supporting statement it can refer to "stranded human capital, human rights abuses, respect and partnership with communities, job loss/creation, unemployment, labor shortages, land use, pollution, social and political upheaval, job retraining and skill development, income support in job transitions, creating new green jobs, actively planning for economic diversification in affected communities, public health and supply chain disruption." Company Letter at 5-6. As previously discussed, the supporting statement is intended to give the Company context as to the request of the proposal, it does *not* mandate any type of social impact JPMorgan should consider. It is well within the discretion of management and the board to decide what constitutes a "social impact" within their transition finance policies, if indeed their policies address this.

Also, while JPMorgan argues that the term "social impacts" is too broad and requires the company to consider too many factors, *JPMorgan also simultaneously asserts that, "in pursuing its goal of supporting the transition to a low-carbon economy, the Company must consider a*

number of factors", and then goes on to to list those factors and state that the number of considerations makes the matter too complex for shareholders seek information about. Company Letter at 6. Thus, it appears the Company is capable of considering "numerous" factors in other contexts but finds this too onerous an ask when addressing the topic of social impacts.

Furthermore, Staff have also declined to exclude on micromanagement grounds proposals seeking the same type of information. For example, in *Republic Services, Inc.* (March 27, 2024), the proposal sought a report on how the company was addressing the impact of its climate change strategy on relevant stakeholders, including "its employees, workers in its supply chain, and communities in which it operates, consistent with the 'Just Transition' guidelines of the International Labor Organization and indicators of the World Benchmarking Alliance." The company argued, among other things, that the proposal micromanaged by referring to external guidelines that were "complex" and included numerous indicators the company would have to consider in its sustainability reporting (around 29 indicators and 21 indicators, respectively). Despite that proposal explicitly including in the resolved clause external guidelines which recommend consideration of a large number of factors, Staff declined to concur with exclusion on micromanagement grounds. In contrast, here, as noted, the types of social impacts referenced in the supporting statement are not binding—the Company has discretion with respect to this reporting. If the proposal in *Republic Services, Inc.*, did not constitute micromanagement it would be inapposite for the Staff to find otherwise here.

Similarly, in *Amazon.com, Inc.* (April 7, 2021), the company argued that the topics it was being asked to report on were "too broad" and implicated too many aspects of its business where the proposal asked for a racial equity audit of the company's impacts on civil rights, equity, diversity and inclusion and impact of those on Amazon's business. Staff rejected that argument there, declining to concur with exclusion under Rule 14a-8(i)(7). The current proposal should likewise not be excluded merely because it seeks information on what could be interpreted as a "broad" topic, especially when management and the board is left the discretion to define the parameters of that topic.

See also SunTrust Banks, Inc. (January 13, 2010) (declining to concur in the exclusion, under Rule 14a-8(i)(7), of a proposal requesting "a sustainability report describing strategies to address the environmental and social impacts of SunTrust's business, including strategies to address climate change.").

The Company also inaccurately asserts that the Proposal requires JPMorgan to "disclose how its transition finance efforts 'safeguard shareholder returns'". Company Letter at 6. However, nowhere in the language of the resolved clause does the proposal request disclosure about safeguarding shareholder returns. The supporting statement does conclude with a statement that JPMorgan's current level of disclosure "impairs investors' ability to understand how its transition finance plans safeguard shareholder returns." However, this statement is merely making the logical argument that, if JPMorgan were to disclose more information about its policies relating to just transition concerns, that would enable investors to more accurately assess the likelihood of success of the Company's transition finance plans given the potential opposition and resistance to transition finance work that does not address these concerns. As referenced in shareholder's supporting statement, climate transition often faces backlash where the human

element is ignored.[8] Shareholders pointed to a study of the Environmental Justice Atlas database that found one quarter of projects opposed by environmental defenders were stopped through protest, litigation, and other forms of popular mobilization.[9]

The Company's cited precedents do not support exclusion of the current proposal on micromanagement grounds

The Company Letter inaccurately argues that the current Proposal is aligned with prior Staff precedent as it probes matters "too complex" for shareholders, seeking granular level of details regarding just transition disclosures which are better addressed by management as part of complex day-to-day business operations beyond the knowledge and expertise of shareholders. However, the precedents JPMorgan relies on are easily distinguished from the current proposal.

For example, in *Air Products and Chemicals, Inc.* (November 29, 2024), the proposal requested, among other things, an annually updated report on the company's policy and procedures about lobbying and grassroots lobbying communications and the company's payments used for lobbying and grassroots lobbying communications, which should include the amount of the payment and identify the recipient. The Staff concurred in exclusion on micromanagement grounds. However, the proposal in that case sought a level of information and detail, such as recipient names and dollar amounts, well beyond what shareholders are asking for here. *See also JPMorgan Chase & Co.* (As You Sow) (March 29, 2024) (proposal requested, among other things, annual disclosure of the proportion of emissions attributable to clients not aligned with a credible Net Zero pathway in each sector with a 2030 target); *Phillips 66* (March 20, 2023) (proposal requested an audited report describing specific amounts needed to settle certain company obligations); *Valero Energy Corp.* (March 20, 2023) (same).

The Company also cites as precedent *Deere & Co.* (January 3, 2022) where the Staff concluded that the proposal micromanaged the company by "probing too deeply into matters of a complex nature by seeking disclosure of intricate details regarding the Company's employment and training practices". The proposal in *Deere* sought the publication of "the written and oral content of any employee-training materials offered to any subset of the company's employees" and it even went further to specify disclosure of any materials "sponsored by the company in whole or part," implying that if the company supported other organizations to develop training materials, even if it was one of hundreds of companies, the specific content would also need to be disclosed. Thus, the proposal represented an investor demand to examine the specific, day-to-day communications and training of its employees. This is an involvement in the minutia of company management that goes far beyond the type of big picture, strategic disclosure of focus and milestones sought in a transition plan. *See also GameStop Corp.* (Ian Chiocchio) (April 25, 2023) (concurring in the exclusion of a proposal that sought information, to be made public in a certain format, about shareholder ownership in the company, including information on, among other things, number of shares registered to each other, number of shares held by insiders, etc.)

Furthermore, for the proposition that Staff has allowed exclusion of proposals that urge the adoption of policies that impose specific methods for implementing complex policies, JPMorgan relies on precedents that involved restrictive and specific requirements that are not at issue here.

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[8] Supporting statement. Citing https://www.sciencedirect.com/science/article/abs/pii/S0301421518302301

[9] See Supporting statement. Citing https://www.sciencedirect.com/science/article/pii/S0959378020301424?via%3Dihub

For instance, in *JPMorgan Chase & Co.* (As You Sow) (March 29, 2024), and a number of other staff precedents, the excluded proposals asked the companies to report a specific metric that would necessitate a very specific analysis: "the proportion of sector emissions attributable to clients that are not aligned with a credible Net Zero pathway, whether this proportion of unaligned clients will prevent the Company from meeting its 2030 targets." See also *Wells Fargo & Co.* (March 6, 2024) (same); *The Goldman Sachs Group, Inc.* (March 4, 2024) (same); *Bank of America Corp.* (Warren Wilson College) (February 29, 2024, recon. denied April 15, 2024) (same). These precedents involved very specific requests, in contrast to the current proposal that merely asks the Company to disclose whether and how it assesses risks and opportunities related to just transition concerns—the Proposal does not impose nor interfere with any policies the Company already has.

As the Company notes, Staff concurred with an exclusion on a micromanagement basis for a proposal that asked Amazon to "measure and disclose scope 3 GHG emissions from its full value chain inclusive of its physical stores and e-commerce operations and all products that it sells directly and those sold by third party vendors." *Amazon Inc.* (April 7, 2023, recon. denied April 20, 2023). Staff noted that the proposal imposed a specific method for implementing a disclosure, without affording discretion to management. In this instance, the language requiring Amazon to measure GHG emissions from its "**full value chain**" stood out as a particularly problematic request because the proposal defined the term "full value chain" in a manner that Amazon argued was prescriptive and differed from the relevant international framework on this issue, the GHG protocol. Amazon asserted that the GHG protocol affords management discretion in determining what qualifies as scope 3 emissions, and that, by including products "sold by third party vendors" in the company's emissions inventory, shareholders were imposing a prescriptive standard that was not aligned with what the Company thought was best suited to the nature of its operations or the GHG protocol. *See* Amazon company letter at 4-10. By contrast, here, shareholders do not seek to define what JPMorgan's policy with respect to just transition concerns should be, or even that JPMorgan should even *have* such a policy. It merely asks the company to disclose whether it does and if so, how that policy operates. Thus, the current proposal does not impinge on management's discretion in the manner at issue in *Amazon*.

The current proposal also contrasts sharply with the proposal at issue in *Coca-Cola Co.* (February 16, 2022), cited to by the Company. In *Coca-Cola*, staff determined that the proposal was excludable under Rule 14a-8(i)(7) because it micromanaged the company. The proposal stated:

> Shareholders request the board of directors to require the company to submit any proposed political statement to the next shareholder meeting for approval prior to issuing the subject statement publicly.

This proposal in *Coca-Cola* restricted the company's discretion by thwarting management action without shareholder approval — requiring prior shareholder approval for any political statement, thus imposing a broad and general limitation on the discretion of management in making statements to the public. Further, it sought to subject the management's ability to make public statements to a burdensome and impractical process that could in effect have prevented the management from making any political statements on a timely basis.

In contrast, the Proposal under consideration does not impose any such comparable limitation on management's action or discretion over ordinary business matters. Instead, it asks for the

company to provide disclosures on how it addresses risks and opportunities related to social impacts in its transition finance activities to allow investors to understand whether those activities adequately consider the attendant risks. Nor does the current proposal bar any company actions. The Coca-Cola precedent is inapposite.

Similarly, the proposal cited by the company in *JPMorgan Chase & Co.* (March 30, 2018) focused on requesting a report on the reputational, financial and climate risks associated with project and corporate lending, underwriting, advising and investing for tar sands production and transportation. It delved deeply into the range of day-to-day activities of the company, mandating that the report should include, among other things, assessments of "Short- and medium-term risk of portfolio devaluation due to stranding of high-cost tar sand assets [and]….Reducing risk by establishing a specific policy, similar to that of other banks, restricting financing for tar sands projects and companies." The Staff noted that the proposal sought to "impose specific methods for implementing complex policies." Unlike the present proposal where the scope of disclosure is essentially defined by the company's existing policies with respect to transition finance, the *JPMorgan Chase* proposal asked for a complex and in-depth analysis of an array of climate risks associated with its day-to-day decision-making.

The proposal in *Rite Aid Corp.* (April 23, 2021, recon. denied May 10, 2021), which Staff concurred with exclusion on micromanagement grounds, had similar issues—it recommended adoption of a policy that would bar equity compensation grants to senior executives when the company common stock had a market price lower than the grant date market price of any prior equity compensation grants to such executives. The proposal there, unlike the current proposal, mandated specific methods for executive compensation on a level of detail. The current proposal merely seeks disclosures about existing company policy.

The Proposal leaves management with broad discretion on *whether and how* JPMorgan addresses just transition concerns.

The Company attempts to argue that, by merely asking for a report "disclosing *whether and how* the Company addresses the potential risks and opportunities related to the social impacts of JPM's transition finance efforts" (emphasis added), the Proposal is curbing "management's discretion in determining the substance and manner of its information disclosures related to its transition finance efforts." Company Letter at 6-7. However, this argument ignores the plain language of the proposal—the Company is free to put whatever information it deems appropriate in its report, including information that it does not address these concerns, if that is indeed the case. If JPMorgan's argument would be accepted here, then shareholders could not ask issuers to provide disclosures about *any* topic not already addressed by companies. As noted above, SLB 14M makes clear that the current proposal does *not* constitute micromanagement. Indeed, as discussed, this proposal is analogous to the example the Division provided of a permissible proposal in that, by asking for a report on "whether and how" (akin to the example SLB 14M provided, where shareholders asked "if and how") the company addresses a certain topic, the proposal defers to management discretion.

The Company goes on to highlight its existing disclosures on its approach to climate change. However, these disclosures are clearly not sufficient to address shareholder concerns as evidenced by the current proposal which seeks more information on a related aspect of climate

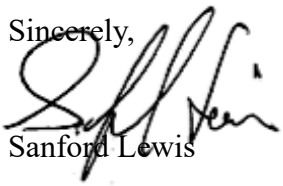
change disclosures, just transition. Indeed, the Company here has not, and in actuality *cannot*, make the argument that the proposal has been substantially implemented—the existing disclosures are inadequate for investors to assess the viability of JPMorgan's transition finance efforts.

Staff precedent also does not support JPMorgan's argument here. In *Republic Services, Inc.* (March 27, 2024), discussed above, the company argued, as JPMorgan does here, that the proposal micromanaged the company by supplanting and limiting the judgment of management and the board because the company already had in place sustainability goals and practices and, if the proposal were adopted, it would require extensive modification of the Company's sustainability reporting. Staff rejected those arguments in declining to concur with exclusion of that proposal on micromanagement grounds. Similarly, here, adoption of the proposal would necessitate JPMorgan to modify its sustainability disclosures to include reporting on just transition concerns (even if the modified reporting simply says that the Company does not address this topic). However, a request for the company to do so does *not* constitute micromanagement.

CONCLUSION

Based on the foregoing, we believe the Company has provided no basis for the conclusion that the Proposal is excludable from the 2025 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the Company that it is denying the no action letter request. If you have any questions, please contact Sanford Lewis at 413-549-7333 or sanfordlewis@strategiccounsel.net.

Sincerely,



Sanford Lewis

Khadija Foda

Cc: Brian V. Breheny

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March 7, 2025

VIA STAFF ONLINE FORM

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: JPMorgan Chase & Co. – 2025 Annual Meeting
Supplement to Letter dated January 17, 2025
Relating to Shareholder Proposal Submitted by
Paul Rissman and co-filers[1]

Ladies and Gentlemen:

We refer to our letter dated January 17, 2025 (the "Original Request"), submitted on behalf of JPMorgan Chase & Co., a Delaware corporation (the "Company"), pursuant to which we requested that the Staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") concur with the Company's view that the shareholder proposal and supporting statement (the "Proposal"), submitted by Paul Rissman (the "Proponent") and co-filers, may be excluded from its proxy materials for the Company's 2025 Annual Meeting of Shareholders (the "2025 Annual Meeting").

This letter is in response to the recent publication of Staff Legal Bulletin No. 14M (Feb. 12, 2025) ("SLB 14M") and the letter to the Staff, dated February 20, 2025, submitted by Sanford Lewis on behalf of the Proponent (the "Proponent's Letter"), and

[1] The following shareholders have co-filed the Proposal: Benedictine Sisters of Mount St Scholastica and Harrington Investments, Inc.

supplements the Original Request. In accordance with Rule 14a-8(j), a copy of this letter also is being sent to the Proponent.

The Proponent's Letter presents an unconvincing attempt to rebut the Original Request. In particular, it argues that the Proposal should not be excluded because the Proposal solely focuses on a significant social policy issue.[2] As explained below, this argument is unpersuasive.

Analysis

A. The Proposal Should Be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to the Company's Ordinary Business Operations.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. The Proposal implicates both the first consideration (as demonstrated below) and the second consideration (as discussed in the Original Request).

The Commission has stated that a proposal requesting the dissemination of a report is excludable under Rule 14a-8(i)(7) if the substance of the proposal involves a matter of ordinary business of the company. *See* Exchange Act Release No. 34-20091 (Aug. 16, 1983) ("[T]he staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)."). In addition, in Staff Legal Bulletin No. 14E (Oct. 27, 2009) ("SLB 14E"), the Staff noted that if a proposal relates to management of risks or liabilities that a company faces as a result of its operations, the Staff will focus on the "subject matter to which the risk pertains or that gives rise to the risk" in making a decision regarding whether a proposal can be properly excluded pursuant to Rule 14a-8(i)(7). Pursuant to SLB 14E, the Staff consistently has permitted

[2] We note that while the Original Request argued only that the Proposal should be excluded under Rule 14a-8(i)(7) as it seeks to micromanage the Company, this letter additionally argues that, in light of SLB 14M, the Proposal should be excluded under Rule 14a-8(i)(7) as relating to the Company's ordinary business operations. For that reason, this letter also addresses the portions of the Proponent's Letter that relate to the latter argument.

exclusion of shareholder proposals under Rule 14a-8(i)(7) requesting an assessment of risks when the underlying subject matter concerns the ordinary business of the company. *See, e.g.*, *Netflix, Inc.* (Mar. 14, 2016) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report "describing how company management identifies, analyzes and oversees reputational risks related to offensive and inaccurate portrayals of Native Americans, American Indians and other indigenous peoples, how it mitigates these risks and how the company incorporates these risk assessment results into company policies and decision-making," noting that the proposal related to the ordinary business matter of the "nature, presentation and content of programming and film production").

In accordance with the policy considerations underlying the ordinary business exclusion, the Staff consistently has permitted exclusion under Rule 14a-8(i)(7) of shareholder proposals relating to the products and services offered to customers by a company, including its lending and underwriting activities. *See, e.g.*, *American Express Company* (Mar. 9, 2023) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report describing how the company intends to reduce the risk associated with "tracking, collecting, or sharing information regarding the processing of payments involving its cards and/or electronic payment system services for the sale and purchase of firearms"); *JPMorgan Chase & Co.* (Mar. 26, 2021) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a study on the costs created by the Company in underwriting multi-class equity offerings); *JPMorgan Chase & Co.* (Mar. 19, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report examining the "politics, economics and engineering for the construction of a sea-based canal through the Tehuantepec isthmus of Mexico," noting that the proposal "relates to the products and services offered for sale by the Company"); *Wells Fargo & Co.* (Jan. 28, 2013, *recon. denied* Mar. 4, 2013) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company report on the adequacy of the company's policies in addressing the social and financial impacts of its direct deposit advance lending service, noting that the proposal "relates to the products and services offered for sale by the company" and that "[p]roposals concerning the sale of particular products and services are generally excludable under rule 14a-8(i)(7)"); *JPMorgan Chase & Co.* (Mar. 16, 2010) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board implement a policy mandating that the Company cease its current practice of issuing refund anticipation loans, noting that the proposal "relate[s] to [the Company's] decision to issue refund anticipation loans" and that "[p]roposals concerning the sale of particular services are generally excludable under rule 14a-8(i)(7)").

The Staff also has consistently permitted exclusion of shareholder proposals relating to a company's relationships with its customers. *See, e.g.*, *JPMorgan Chase & Co.* (Feb. 21, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that

requested the board complete a report on the impact to customers of the company's overdraft policies); *JPMorgan Chase & Co.* (Mar. 12, 2010) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board publish a report assessing, among other things, the adoption of a policy barring future financing by the company of companies engaged in mountain top removal coal mining, noting that the proposal related to the company's "decisions to extend credit or provide other financial services to particular types of customers" and that "[p]roposals concerning customer relations or the sale of particular services are generally excludable under rule 14a-8(i)(7)"); *Anchor BanCorp Wisconsin Inc.* (May 13, 2009) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board adopt a new policy for the lending of funds to borrowers and the investment of assets after taking preliminary actions specified in the proposal, noting that the proposal related to the company's "ordinary business operations (i.e., credit policies, loan underwriting and customer relations)"); *JPMorgan Chase & Co.* (Feb. 21, 2006) (permitting exclusion under Rule 14a-8(i)(7) of a proposal recommending that the company not issue first mortgage home loans, except as required by law, no greater than four times the borrower's gross income, noting that the proposal related to the company's "ordinary business operations (i.e., credit policies, loan underwriting and customer relations)").

Further, the Staff has permitted exclusion under Rule 14a-8(i)(7) of proposals relating to the community impacts of a company's operations. *See, e.g.*, *Amazon.com, Inc.* (Mar. 28, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested an analysis of the community impacts of the company's operations, noting that "the [p]roposal relates generally to 'the community impacts' of the [c]ompany's operations and does not appear to focus on an issue that transcends ordinary business matters"); *Amazon.com, Inc.* (Mar. 16, 2018) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on risks relating to the societal impact of the company's growth).

In this instance, the Proposal focuses primarily on the Company's lending and underwriting activities, relationships with its customers and community impacts in the context of what the Proponent characterizes as "transition finance," all of which are ordinary business matters. While the Proposal attempts to separate the Company's purported "transition finance" efforts from the ordinary business of financial services and products offered to clients by the Company, those so-called "transition finance" efforts fall within the Company's standard risk management protocols and all financial products and services offered by the Company are subject to the same rigorous underwriting and risk protocols. In particular, the Proposal's resolved clause requests that the Company report on "whether and how the Company addresses the potential risks and opportunities related to the social impacts of [the Company's] transition finance efforts." The supporting statement notes that "[t]ransition finance . . . is an important aspect of [the Company's] business" and that the Company "has a $1 trillion

Green objective, of which $242 billion has already been financed or facilitated," thereby explicitly focusing on the Company's business decisions regarding particular clients and projects to which its products and services are offered. Similarly, the Company's decision to engage (or not engage) in particular purported "transition finance" efforts implicates ordinary business matters regarding the Company's relationships with its customers, who may desire particular products and services. The supporting statement also references various types of potential social impacts from "transition finance" initiatives generally. When read together, the Proposal's resolved clause and supporting statement demonstrate the Proposal's focus on particular products and services the Company provides to its customers—lending and underwriting activities designed to support the transition to a low-carbon economy—and related community impacts.

The Company is one of the largest financial services firms in the world and is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing and asset management. Risk management is an inherent part of the Company's business activities. The Company's decisions to offer lending and underwriting products and services to particular customers, and considerations of those decisions' impacts on communities, individuals and the environment, involve complex legal, regulatory and operational considerations. Indeed, an important component of risk management at the Company is assessing clients' approach to, and performance on, natural and social ("N&S") matters. Broadly speaking, the Company recognizes that failing to appropriately manage N&S risks can impact the Company's clients' operations and long-term economic viability, increase scrutiny from the Company's investors, employees and regulators, and impact the environment and communities across the world. The Proposal's request for a report on whether and how the Company addresses potential risks and opportunities related to the social impacts of its business activities that provide "transition finance" does not transform these matters from ordinary business matters, because such assessments are themselves ordinary business. Such decisions are at the heart of the Company's business and are so fundamental to its day-to-day operations that they cannot, as a practical matter, be subject to direct shareholder oversight.

We note that a proposal may not be excluded under Rule 14a-8(i)(7) if it is determined to focus on a significant policy issue. The fact that a proposal may touch upon a significant policy issue, however, does not preclude exclusion under Rule 14a-8(i)(7). Instead, the question is whether the proposal focuses primarily on a matter relating to the company's ordinary business operations or raises a policy issue that transcends the company's ordinary business, and whether or not the policy issue has a sufficient nexus to the company. *See* 1998 Release; SLB 14M; Staff Legal Bulletin No. 14K (Oct. 16, 2019); SLB 14E. The Staff has consistently permitted exclusion of shareholder proposals where the proposal focused on ordinary business matters, even though it also related to a potential significant policy issue. For example, in *TJX*

Companies, Inc. (Apr. 9, 2021), the Staff permitted exclusion under Rule 14a-8(i)(7) of a proposal requesting a report "evaluating whether the company is supporting systemic racism through undetected supply chain prison labor," noting that "the [p]roposal acknowledges that the [c]ompany already prohibits prison labor and does not otherwise explain how its compliance program raises a significant issue for the [c]ompany." *See also, e.g., Dollar General Corp.* (Mar. 6, 2020) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on the use of mandatory arbitration provisions in employment contracts, noting that "notwithstanding some references in the supporting statement to potentially important social issues, the [p]roposal as a whole deals with a matter relating to the [c]ompany's ordinary business operations . . . and does not focus on any particular policy implication of that use at this particular company").

In this instance, the overwhelming concern of the Proposal is with potential risks and opportunities related to the Company's "transition finance" efforts, which directly relates to the clients and projects to which the Company's products and services are offered and the Company's relationship with its customers and community impacts, all of which are ordinary business matters. Therefore, even if the Proposal could be viewed as touching upon a significant policy issue, its focus is on ordinary business matters.

Moreover, with the recission of Staff Legal Bulletin No. 14L (Nov. 3, 2021), the Staff no longer looks to the significance of policy issues in the abstract. While the significance of issues around so-called "transition finance" and related risks may be a topic of broad, general interest, SLB 14M makes clear that whether the significant policy exception applies is a case-by-case analysis looking at the circumstances of the particular company to which the proposal is directed. In this instance, while the supporting statement makes general claims about potential collateral impacts from "transition finance" in the abstract, touching on a wide variety of topics, neither the Proposal nor the Proponent's Letter raises any similar concern about the Company's purported "transition finance" efforts specifically. Thus, the Proponent failed to establish the significance of any alleged policy issue raised by the Proposal in relation to the Company.

In addition, to the extent the Proposal could be deemed to raise any particular policy issue with the Company's purported "transition finance" efforts, the Company already has addressed the underlying concerns of the Proposal. As discussed in the Original Request, and as acknowledged and cited at length in the Proponent's Letter, the Company produces detailed disclosure on its approach to climate change and has done so since its first Climate Report in 2018. Over time the Company has evaluated and refined its approach to disclosure to meet changing investor information needs and regulatory disclosure requirements in various jurisdictions around the world. The Company has provided information on its risk management approach, including with

respect to environmental and social issues, in its Environmental, Social and Governance Report. As a result, any delta between the Proposal's request and what the Company already is doing with respect to managing the risks and opportunities related to the social impacts of the Company's "transition finance" efforts does not present a significant policy issue for the Company.

Accordingly, consistent with the precedent described above, the Proposal should be excluded from the Company's 2025 proxy materials pursuant to Rule 14a-8(i)(7) as relating to the Company's ordinary business operations.

B. The 80-Day Filing Requirement Set Forth in Rule 14a-8(j) Should Be Waived for Good Cause.

The Company also requests that the Staff waive the 80-day filing requirement set forth in Rule 14a-8(j) for good cause. Under Rule 14a-8(j)(1), if a company "intends to exclude a proposal from its proxy materials, it must file its reasons with the Commission no later than 80 calendar days before it files its definitive proxy statement and form of proxy with the Commission." However, Rule 14a-8(j)(1) also allows the Staff, in its discretion, to permit a company to file its submission later than 80 days before the filing of its definitive proxy statement if the company demonstrates good cause for missing the deadline.

The Staff recently published SLB 14M, providing updated guidance on certain issues arising under Rule 14a-8 and rescinding previous guidance in Staff Legal Bulletin No. 14L (Nov. 3, 2021). SLB 14M was published less than 80 days before April 7, 2025, the date that the Company intends to file its definitive proxy statement. SLB 14M states that the Staff "will consider the guidance in place at the time it issues a response" on a no-action request and "will consider the publication of [SLB 14M] to be 'good cause' if it relates to legal arguments made by the new request" to exclude a proposal from a company's proxy materials. Based on the timing of the publication of SLB 14M and its impact on the arguments raised in this no-action request, the Company believes that it has good cause for its inability to meet the 80-day requirement. The Company acted in good faith and in a timely manner following the publication of SLB 14M to minimize any delay. Accordingly, the Company respectfully requests that the Staff waive the 80-day requirement with respect to this letter.

Conclusion

For the reasons stated above and in the Original Request, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its proxy materials for the 2025 Annual Meeting. Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of the Company's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact the undersigned at (202) 371-7180.

Very truly yours,

Brian V. Breheny

cc: John H. Tribolati
Corporate Secretary
JPMorgan Chase & Co.

Paul Rissman

Sanford Lewis & Associates

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March 21, 2025
Via online portal

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to JP Morgan Chase & Co. Regarding Transition Finance Strategy on Behalf of Paul Rissman

Ladies and Gentlemen:

Paul Rissman (the "Proponent") and co-filers[1], are beneficial owner of common stock of JPMorgan Chase & Co. ("JPMorgan" or the "Company") and have submitted a shareholder proposal (the "Proposal") to the Company. We previously responded on February 18, 2025 ("Proponent's Reply Letter"), to the Company Letter dated January 17, 2025 ("No-Action Request").

We have been asked by the Proponent to respond to the additional letter dated March 10, 2025 ("Company's Supplemental Letter"), sent to the Securities and Exchange Commission by Brian V. Breheny, of Skadden, Arps, Slate, Meagher & Flom LLP, acting on behalf of the Company. A copy of this Supplemental Response Letter is being emailed concurrently to Brian V. Breheny.

ANALYSIS

We stand by our original correspondence, in which we responded to the Rule 14a-8(i)(7) micromanagement contentions and preemptively addressed many of ordinary business arguments the Supplemental Letter raises now. We will respond here as concisely as possible to the additional ordinary business arguments under Rule 14a-8(i)(7) from the Company's Supplemental Letter drawing upon Staff Legal Bulletin 14M ("SLB 14M") to assert that the Proposal relates to the ordinary business of the Company.[2]

[1] The proposal was co-filed by the Benedictine Sisters of Mount St. Scholastica and Harrington Investments, Inc.

[2] We wish to note here that SLB 14M was issued subsequent to the filing of the Proposal and no action request. We believe that it is inappropriate to apply the guidance outlined in SLB 14M retroactively to proposals submitted for the 2025 season, including this Proposal and that Proponent reserves all rights to challenge the retroactive

The Proposal is also not excludable under 14a-8(i)(7) because it does not attempt to dictate products and services sold

The Company argues that the Proposal is excludable as an ordinary business matter as relating to its products and services. Company's Supplemental Letter at 3-4. However, this argument ignores the central focus of the Proposal on the social impacts of transitioning to carbon-free activities to address climate change, i.e., just transition.

Preliminarily, the Staff has long determined that proposals addressing climate risk are appropriate for financial services companies, even if they touch upon products and services, so long as such proposals do not attempt to micromanage or direct the products and services sold. For instance, in *PNC Financial Services Group, Inc.* (February 13, 2013) the proposal requested that the Board report to shareholders PNC's assessment of the greenhouse gas emissions resulting from its lending portfolio and its exposure to climate change risk in lending, investing, and financing activities. The Staff determined that the proposal was not excludable because it addressed the significant policy issue of climate change. PNC had argued, as the Company does here, that the proposal related to products and services. The Staff rejected the claim. Similarly, here, the Proposal is *not* asking how JPMorgan applies any policy it might have about the social impacts of its transition finance efforts to individual customers but rather asks whether and how the Company addresses risks and opportunities related to this topic.

The Proposal focuses on a significant social policy issue, not on products and services

It is well-established that a proposal is not excludable merely because it touches upon the sale of a company's products or services where the sole focus of the request is on a significant policy issue without dictating what products or services the company provides. For example, a proposal correctly framed to ask a company to disclose or raise its voluntary standards, or to curtail social impacts, related to the products or services that it sells does not lead to "products and services" exclusions.

In *Bank of America Corporation* (February 23, 2006), the proposal requested that the board develop higher standards for the securitization of subprime loans to preclude the securitization of loans involving predatory practices. Despite the focus on establishment of a particular policy, Staff nevertheless rejected the ordinary business/products and services argument. If a proposal addresses a transcendent social policy issue, even if it addresses products and services, shareholders are expected to describe it as clearly as possible in terms of what they would like the company to do, as was done in the precedent and the current Proposal.

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application of SLB 14M. Regardless, the current Proposal, irrespective of whether it touches upon the day-to-day operations of JPMorgan, focuses solely on an important social policy issue significant to JPMorgan in particular, in accordance with SLB 14M, as outlined in Proponent's Reply Letter.

Also analogous to the current Proposal was the proposal in *Bank of America Corporation* (February 22, 2008) on implementation of the equator principles. The proposal requested a report to "describe and discuss how Bank of America's implementation of the Equator Principles has led to improved environmental and social outcomes in its project finance transactions." Bank of America Corporation argued, among other things, that the proposal related to the Company's ordinary business operations, namely the extension of credit and credit decisions. The Staff was unable to accept these views and concluded that exclusion of the proposal from proxy materials was not appropriate.

Similarly, in *Bank of America Corporation* (February 26, 2009), the proposal requested a report evaluating, with respect to practices commonly deemed to be predatory, the company's credit card marketing, lending and collection practices and the impact of those practices on borrowers. Despite the focus on products and services, the prominence of predatory and subprime lending as an issue of concern transcended the ordinary business concern. *See also JPMorgan Chase & Co.* (March 4, 2009) (same); *Citigroup Inc.* (February 11, 2009) (same); *Wells Fargo & Company* (February 11, 2009) (same).

See also Meta Platforms, Inc. (April 2, 2022) (denying exclusion on 14a-8(i)(7) grounds where shareholders requested a report on the company's metaverse product that assessed, among other things, the "potential psychological and civil and human rights harms to users").

See also J.P. Morgan Chase (March 13, 2020), where the proposal asked JPMorgan Chase to describe how it plans to respond to rising reputational risks for the Company and questions about its role in society related to its involvement in Canadian oil sands production, oil sands pipeline companies, and Arctic oil and gas exploration and production. This was not excludable as focused on ordinary business despite a similar relationship to products and services as in the current Proposal.

Thus, the Company's arguments that Proposal is solely concerned with how it offers "transition finance" to its customers is unavailing. Significantly, this argument also ignores the ultimate aim of the proposal, which is merely for investors to gain information on *whether and how* JPMorgan addresses social impact risks and opportunities in this sector of its business. The Proposal does *not* ask the Company to modify how it offers transition finance products or services to any of its customers or to change how it addresses these risks and opportunities — shareholders are only seeking increased transparency.

The Proposal addresses the subject matter on a policy level versus directing relations with particular suppliers or customers

Significantly, the focus of a proposal on a policy level rather than directing the Company's relations with particular suppliers or customers is sufficient to avoid the products and services exclusion. For example, in *TJX Companies* (April 9, 2020) the proposal requested that the board commission an independent analysis of any material risks of continuing operations without a company-wide animal welfare policy or restrictions on animal-sourced products associated with animal cruelty. The company objected that the proposal was excludable as relating to sales of particular products, but the proponent effectively argued that the focus of the proposal on a clear, significant policy issue for the company caused the proposal to transcend ordinary business. *See also Alphabet Inc.* (April 12, 2022) (Staff did not concur with exclusion of proposal requested report reassessing policies on support for military and militarized policing agency activities and impacts of policies where company argued proposal addressed products and services offered). Like these precedents, the Proposal focuses on the Company's policies because it requests a report that discloses whether and how the Company "addresses" risks and opportunities related to social impacts of its transition finance efforts. The way that the Company addresses risks is a Company policy. That is the Proposal's focus, not any given product or service JPMorgan sells. *See also JPMorgan Chase & Co.* (March 21, 2023) (company argued products and services exclusions and Staff declined to exclude proposal seeking evaluation of how the company assesses risks related to discrimination against individuals on protected bases).

More restrictive proposals addressing products and services have been found non-excludable under Rule 14a-8(i)(7) where company reputation is clearly at stake

Even a proposal that expressly seeks to ban a particular product or service of a company, a more restrictive approach than the current Proposal, may transcend ordinary business if it clearly focuses on a significant policy issue relevant to the company. For example, in *Amazon.com Inc.* (March 28, 2019, reconsid. denied April 3, 2019), a proposal that was clearly directed toward a company product was found non-excludable. The proposal requested that the board prohibit sales of facial recognition technology to government agencies unless the board concluded, after an evaluation using independent evidence, that the technology did not cause or contribute to actual or potential violations of civil and human rights, and an ordinary business exclusion, similar to the Company's current argument, was rejected. It was rejected again on request for reconsideration. The proponent there noted: "The Company's Amazon Web Services (AWS) segment is the leading cloud computing company, and is integrating facial recognition software to its services, which the Proposals assert is being done at risk to civil liberties, privacy and public trust in the Company's products and services."

Staff have also declined to exclude proposals in the financial services industry that could have an impact on whether certain products are even sold. In *JPMorgan Chase & Co* (Sierra Club) (March 25, 2022), the proposal requested a report setting absolute contraction targets for

the company's financed GHG emissions. The company argued that the proposal was focused on ordinary business decisions whether to offer financing to certain kinds of customers. Staff, in declining to concur under Rule 14a-8(i)(7), rejected this argument as the proposal both transcended ordinary business and did not seek to micromanage the company.

Precedents the Company relies on for its "products and services" argument are inapplicable

JPMorgan relies on precedents that are clearly distinguishable in support of its position that the current Proposal focuses on ordinary business because it relates to product offerings. The precedents JPMorgan cite include proposals which very clearly attempted to dictate particular products being sold by the company, delved into details of company-customer relations, tried to micromanage how and on what terms a specific product should be offered, or sought information on profit margins related to certain products and services. The current Proposal is solely asking the company to provide information on whether and how it addresses potential risks and opportunities related to the social impacts of its transition finance efforts.

For instance, unlike many of the precedents relied upon by the Company, the current Proposal does not ask JPMorgan to not offer a certain product. *See JPMorgan Chase & Co.* (March 16, 2010) (proposal requested implementation of a policy that would mandate JPMorgan cease issuing "Refund Anticipation Loans"). *See also JPMorgan Chase & Co.* (March 12, 2010) (proposal requested a report assessing, among other things, adoption of a policy that would bar future financing of companies engaged in mountain top removal coal mining); *JPMorgan Chase & Co.* (February 21, 2006) (proposal recommended the company not issue a certain type and size of loan to particular customers).[3]

Nor does the current Proposal seek to modify the *terms* upon which any products or services are offered to customers, which was at issue in precedents relied upon by JPMorgan. *Cf. Anchor BanCorp Wisconsin Inc.* (May 13, 2009) (proposal requested the adoption of a policy that would require the company to only issue loans and make investments after certain preliminary actions were taken).

Other proposals cited in the Company's Supplemental Letter, while not explicitly asking companies to modify product offerings, delved too much into the details of how products or services were offered and company-customer relations without a countervailing focus on a

[3] The Supplemental Letter also cites *Netflix, Inc.* (March 14, 2016). In concurring with exclusion on ordinary business grounds, Staff explicitly noted that "the proposal relates to the nature, presentation and content of programing and film production," in line with prior Division precedent disallowing proposals seeking to regulate the content of media. *See, e.g.*, *The Walt Disney Company* (November 30, 2007) (Staff permitted exclusion of a proposal calling for publication of a management report on the steps the company is currently taking to avoid the use of negative and discriminatory racial, ethnic and gender stereotypes in its products). The current Proposal does not concern media content but rather asks for JPMorgan to evaluate risks surrounding a significant public policy issue, just transition, that is patently relevant to JPMorgan's business.

significant public policy issue relevant to the company. For example, in *American Express Co*. (March 9, 2023) the proposal requested report on risk reduction associated with information tracking, collecting, or sharing regarding payment processing for sale and purchase of firearms. The resolved clause asked the board to conduct an evaluation describing if and how the Company intends to reduce the risk associated with tracking, collecting, or sharing information regarding the processing of payments involving its cards and/or electronic payment system services for the sale and purchase of firearms. The proposal may have touched on a significant policy issue, but the broad request went beyond the transcendent policy issue to address mundane, day to day managerial issues at the company. *See also JPMorgan Chase & Co.* (February 21, 2019) (proposal asked for a report about the impact on customers of JPMorgan's overdraft policies); *JPMorgan Chase & Co.* (March 19, 2019) (proposal requested a report examining the "politics, economics and engineering" related to the specific construction project that the company may be involved in financing, a sea-based canal through the Tehuantepec isthmus of Mexico).

By contrast, the current Proposal merely asks for more information on whether or how the Company addresses certain risks in its transition finance efforts—notably the Proposal does not mandate the Company must address these risks either.

The current Proposal also does not ask JPMorgan to measure the financial gain to related to transition finance, unlike the proposal at issue in *Wells Fargo & Co.* (January 28, 2013, recon. denied March 4, 2013). There, the proposal requested report on adequacy of company's policies in addressing social and financial impacts of its direct deposit advance lending product, financial impact was defined to include "cost to the institution" and "total revenue derived" from the loans.

Lastly, the *JPMorgan Chase & Co.* (March 26, 2021) precedent JPMorgan relies upon is inapplicable to its products and services argument. There, in concurring with exclusion, Staff noted that the proposal did "not demonstrate how underwriting equity offerings with different class structures is a significant policy issue for the Company", whereas here, as discussed, the Division has long recognized that matters related to policies on climate change address a significant policy issue and, therefore, generally are not excludable under Rule 14a-8(i)(7). Additionally, as addressed in Proponent's Reply Letter, the issue of climate transition finance (and just transition in that context) *is* significant to JPMorgan in particular as demonstrated by the myriad ways JPMorgan is prominently involved in the business of transition finance.

JPMorgan has not established that a proposal concerning a company's "impacts" on communities and workforces cannot transcend ordinary business

In the Company's Supplemental Letter, JPMorgan asserts that "Staff has permitted exclusion under Rule 14a-8(i)(7) of proposals relating to the community impacts of a company's operations[.]" *See* Company's Supplemental Letter at 4. The Company, in doing so, completely fails to address the precedents cited to in Proponent's Reply Letter concerning numerous prior Staff decisions recognizing that proposals relating to the impact of a company's policies or business strategies on communities and workforces, i.e., social impacts, can raise significant policy issues. *See* Proponent's Reply Letter at 6-7. We will not repeat those arguments here.

Instead of rebutting these precedents, the Company cites to two additional precedents which are not applicable here because, in both circumstances, the proposals sought disclosure about "impacts" so broadly that that they became an ordinary business matter of management. *Amazon.com, Inc.* (March 28, 2019) (board's "analysis of the community impacts of Amazon's operations, considering near and long-term local economic and social outcomes, including risks, and the mitigation of those risks, and opportunities arising from its presence in communities."); *Amazon.com, Inc.* (March 16, 2018) (analysis and report on "risks arising from the public debate over Amazon's growth and societal impact"). In contrast, the current Proposal, similar to the precedents cited to in the Proponent's Reply Letter, has a narrow focus on a transcendent policy issue — the risks and opportunities related to social impacts of JPMorgan's transition finance activities.

The Proposal focuses solely on an important social policy issue significant to the Company: the potential risks and opportunities related to the social impacts of transitioning to carbon-free activities to address climate change

The Company asserts that the Proposal, to the extent it implicates a significant public policy issue, only "touches upon" such an issue. Again, JPMorgan fails to even attempt to rebut the substantial evidence and precedents initially presented in Proponent's Reply Letter. *See* Proponent's Reply Letter at 5-8.

Additionally, the precedents relied upon by JPMorgan here are inapposite. For instance, in *TJX Companies, Inc.* (April 9, 2021), the Staff, in concurring with exclusion of a proposal that sought a report "evaluating whether the company is supporting systemic racism through undetected supply chain prison labor" noted that the company "already prohibits prison labor and [the proposal] does not otherwise explain how its compliance program raises a significant issue for the [c]ompany." By contrast, here, the Company's existing disclosures do not adequately inform investors how it addresses social impacts in its transition finance efforts, which is what prompted the current Proposal and impedes the Company from making a substantial implementation argument, as discussed in more detail below. As such, the *TJX Companies, Inc*. precedent is inapplicable to the current Proposal.

Similarly, the *Dollar General Corporation* (March 6, 2020) precedent is not analogous. There, in concurring with exclusion, Staff found the proposal, which urged the board to report

on the use of mandatory arbitration provisions in employment contracts, "notwithstanding some references in the supporting statement to potentially important social issues…as a whole deals with a matter relating to the Company's ordinary business operations – the overall 'use' of arbitration – and does not focus on any particular policy implication of that use at this particular company." By contrast, here, the proposal and supporting statement are squarely focused on just transition concerns. The supporting statement sets forth the Proponent's concern that managing the human element of the massive effort of transition finance appears as important as technical innovation or development of new physical infrastructure and therefore asks the Company how its transition efforts address risks and opportunities, such as supporting coal miners in Appalachia and preventing pollution and community impact in lithium mining communities. Thus, unlike the proposal at issue in *Dollar General Corporation*, here the Proposal is squarely focused on a significant public policy issue that, as Proponent has already demonstrated, is significant to JPMorgan in particular.

Although the Company has not and cannot assert substantial implementation under Rule 14a-8(i)(10), because it does not currently provide the type of report requested by the Proposal, JPMorgan asserts that the Company already addressed the underlying concerns of the Proposal through its existing disclosures on climate change and ESG issues. *See* Company's Supplemental Letter at 6-7. And so doing, the Company attempts to revive the revoked "delta" analysis requirements of Staff Legal Bulletins 14J and 14K. Notably, while SLB 14M restored certain elements of those prior bulletins, prudently the bulletin did not restore the so-called delta analysis elements of those bulletins. From the standpoint of proponents, the "delta" analysis was a particularly objectionable mode of analysis. Evaluation of existing company activities is already considered under Rule 14a-8(i)(10). Allowing the company or its board to evaluate it existing actions not based on substantial implementation but on whether there was, from the company's perspective, a significant difference between a proposal's requests and existing company actions is inconsistent with the Commission's promulgated Rule 14a-8(i)(10) which evaluates whether a proposal is substantially implemented by examining whether existing company activities fulfill the guidelines and essential purpose outlined by the proposal. The current Proposal cannot be said to fulfill those requirements, and the Company has not made such an assertion.

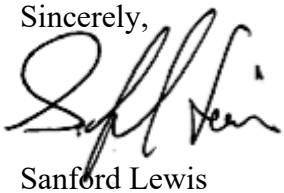
It is clear from the evidence provided in our initial letter that in this instance the subject matter is significant to the company. Existing company disclosures confirm the significance of this issue for the company. The referenced company disclosures broadly discuss attempts to mitigate negative impacts in emerging markets investments without concrete discussion of the social risks and opportunities of transition finance either in the Company's financial or sustainability reports.[4]

The Company's Supplemental Letter provides no compelling arguments for exclusion of the

[4] *See* https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/jpmc-esg-report-2023.pdf

Proposal. The Proposal does not micromanage and it is solely focused on a policy issue that is significantly related to JPMorgan's business. We urge the Staff to notify the Company that the Proposal is not excludable under Rule 14a-8.

Sincerely,



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