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Top Institutional Investors Announce They Will Vote Against JPMorgan Chase Lead Independent Director Lee Raymond Due To Numerous Governance Concerns

NEW YORK -- Major shareholders announced today that they will vote against the reappointment of JPMorgan Chase & Co. Lead Independent Director Lee Raymond, citing numerous corporate governance concerns at the United States' largest bank. Lee Raymond was renominated to the board for the 34rd consecutive year in JPMorgan Chase's [2020 proxy statement](#), released on April 6, 2020.

The current financial environment requires strong independent Board oversight, which is vital to protect the long-term interest of shareholders. Lee Raymond has been a director on JPMorgan Chase's board for more than three decades, longer than what sound corporate governance practices recommend. The Council of Institutional Investors [cautions](#), "extended periods of service may adversely impact a director's ability to bring an objective perspective to the boardroom."

"I have fought to increase the value of the shares we hold by pushing companies to embrace real oversight and governance reforms," said **State Treasurer of Pennsylvania Joe Torsella**. "We know that a CEO shouldn't also serve as Chairman of the Board, something a majority of S&P 500 companies have also come to understand. We know that effective oversight can only happen when a board has real independence from management. And we know that being in a Wall Street boardroom for too long tends to cloud one's judgement. Those principles are just simple common sense, but Lee Raymond has failed to adopt them in his very long time as Lead Independent Director at JPMorgan Chase. That's why the Pennsylvania Treasury Department emphatically opposes Mr. Raymond's reelection as Lead Independent Director."

Raymond is the longest tenured Director at any large U.S. bank and has continuously held key board leadership roles at JPMorgan Chase since the merger with Chase. His current leadership roles include Lead Independent Director and Chair of the Compensation & Management Development Committee. Both leadership positions provide critical oversight of compensation, succession, and board composition.

During Raymond's tenure as chair of the Compensation & Management Committee, JPMorgan Chase shareholders have expressed concerns with the company's executive pay policies, including pay-for-performance misalignment and various structural concerns. Only 72% of JPMorgan Chase shareholders supported the company's say-on-pay proposal at last year's annual meeting.

“The New York State Common Retirement Fund has long been concerned about pay-for-performance misalignment at its portfolio companies,” said **New York State Comptroller Thomas P. DiNapoli**. “To promote good governance practices and to protect shareholder value, we regularly hold directors accountable for failing to set responsible executive compensation levels. Lee Raymond is no exception.”

JPMorgan Chase CEO Jamie Dimon is the Chair of the company’s board of directors, which places the onus on Raymond as Lead Independent Director to provide oversight of management on behalf of shareholders. Shareholders [have proposed establishing an independent chair](#) to improve governance practices at JPMorgan Chase in eight of the last 10 years, and achieved up to a 40.2% shareholder vote. After actively working to defeat the independent Chair proposal in 2013, Lee Raymond [told JPM shareholders](#) that year: “Give us some time to digest what this all means.”

Additionally, various [investors have raised concerns](#) regarding JPMorgan Chase’s management of climate risks and the oversight role played by Lee Raymond as Lead Independent Director. JPMorgan Chase has [begun to acknowledge](#) the systemic risks of climate to its investors, but remains [the world’s top financier of fossil fuels](#) and some investors are concerned about the ongoing influence of Lee Raymond during a critical time in the bank’s climate change strategy. Additional JPMorgan Chase shareholders have committed to oppose the re-election of Lee Raymond on these grounds, including Praxis Mutual Funds, NEI Investments, the First Affirmative Financial Network and the Unitarian Universalist Association.

Shareholders will vote on Lee Raymond’s election at JPMorgan Chase’s annual shareholder meeting on May 19.

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