

A message from Raymond James Chairman and CEO Paul Reilly



Dear clients,

Rarely in our history have we – as individuals, as companies, as countries and as a global society – faced such uncertainty. Over the last few weeks, the COVID-19 pandemic has resulted in rapidly changing circumstances and accelerated decision-making, leaving many fearful of what's to come.

While we are inarguably witnesses to a major trial for our increasingly connected world, we are also participants. Participants who must actively consider how our actions affect one another, and our collective future. By being informed, remaining calm and making measured decisions, each of us can have an impact on the outcome of this situation.

With that in mind, I wanted to share our thinking here at Raymond James, and our approach to being a thoughtful, responsible participant in managing through this crisis.

Our focus is on people.

As a firm with a substantial workforce, large corporate campuses and dispersed offices, we know the decisions we make not only affect our associates and their families, but the communities where they live and work. To that end, we are first and foremost concerned with our associates' and advisors' health and well-being, and have worked to limit in-person contact.

This includes canceling all Raymond James-hosted conferences and events through the end of April, eliminating work-related travel and requiring that meetings be conducted via technology solutions. We are further working to limit the number of people in our offices by implementing a mix of remote work and split operations, and continuing to conduct enhanced sanitation throughout our buildings.

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Importantly, we are empowering our managers and asking them to be flexible, especially for associates at higher risk for significant complications from the virus, for those who have family members at higher risk, or who face challenges related to childcare.

Our associates are our most valuable resource – and we will continue to make decisions with their health and well-being at the forefront.

We are supporting our clients.

Each of our associates is solidly focused on living our commitment to put clients first – whether our advisors and their clients, or the corporations and institutions we support.

That commitment begins long before there's a crisis, by maintaining a conservative balance sheet that allows us to react appropriately. Because of that discipline, I can confidently say: Our financial position is strong.

In spite of analysts' criticisms that we were over-capitalized, we entered this quarter with more than \$1 billion in cash, with a total capital ratio roughly two-and-a-half times the regulatory requirement. Our S&P rating is BBB+ with a stable outlook, the same as many of the largest firms in our industry.

Further, our long-term focus has helped us achieve 128 consecutive quarters* – 32 years – of profitability, even through the 2008/2009 financial crisis. Because of our historically conservative management approach, including recent emphasis on cost management to offset an anticipated slowdown, we are well-positioned to not only make it through these troubling times, but emerge stronger, just as we have through prior market disruptions.

Beyond our fiscal stability, we are here as partners to our advisors and their clients, as well as to our corporate and institutional clients. Our focus is on providing resources and support – whether through communications and expert insights or trading capabilities. Even as we deal with historic market conditions and modified work arrangements to address concerns with associate safety, we are working tirelessly to minimize service disruptions. We know times of instability are when we best earn clients' trust, and we are here to be a strong, reliable partner through the current volatility and beyond.

We are making decisions for the long term, while proactively planning for and reacting to changing conditions.

In times like these, we are all challenged. The decisions we make and the actions we take have added weight. I personally do not take lightly my responsibility as a leader of a large organization. And I do not take lightly our responsibility as a firm. I know we can either add to

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the unrest or help to provide some calm – both for those who make up our organization and for those who depend on us to help secure their financial futures.

At Raymond James, we often talk about our values-based culture. About how that culture is what sets us apart from other companies, how it's what makes us – as our vision statement articulates – a firm as unique as the people we serve. I am confident we will weather this situation, just as we have persisted through past turmoil, by keeping our focus on the long term, maintaining the best possible service levels for our advisors and clients, and most important, showing – as individuals and as a firm – that caring for each other is our most important calling.

Thank you to every one of our associates and advisors who are seeing us through this trying time, and to each of our clients for entrusting us with such an important part of your life. We will all get through this together.

Paul C. Reilly
Chairman and CEO

*As of 12/31/2019. Past performance is not an indication of future results. The information provided is for informational purposes only and is not a solicitation to buy or sell Raymond James Financial stock. A credit rating of a security is not a recommendation to buy, sell or hold securities and may be subject to review, revisions, suspension, reduction or withdrawal at any time by the assigning rating agency.