Consumer & Community Banking

We continue to make real progress in Consumer & Community Banking, and I am proud of what our great team has accomplished. We have built multiple market-leading businesses while de-risking and simplifying them, and we worked with regulators to close gaps and make tough decisions. We do the hard work each and every day to put our customers first and do the right thing.

Our performance in 2019 is the result of that discipline and effort. We are the #1 U.S. credit card issuer based on sales and outstanding balances. We are the #1 primary bank in our footprint. We are the #1 business bank based on primary relationships. We are the #2 mortgage servicer and the #3 bank auto lender.

We take nothing for granted and remain humble and motivated as we compete to be, or stay, best in class.

2019 financial results

In 2019, Consumer & Community Banking delivered a 31% return on equity on record net income of $16.6 billion. Our $55.9 billion in revenue was up 7% year-over-year. We reduced our overhead ratio to 51.7% and self-funded significant investments. We grew our customer base to nearly 63 million U.S. households, including over 4 million small businesses. This performance is a direct result of the growth in our business drivers and our sustained focus on investing for the medium and long term.

Our average deposits of $694 billion were up 3% over 2018, and client investment assets reached $358 billion, up 27%. We ended the year with $464 billion in average loans, reflecting $43 billion in loan sales over the last two years. Our customer base of active mobile users is the largest and, on an absolute basis, the fastest growing among U.S. banks: 37 million, up 12% year-over-year.

There was no way to predict that credit performance would remain as strong as it has over these last few years, and that has positively contributed to the performance we delivered in 2019.

We achieved our 2019 results with continued focus on six strategic priorities that have remained consistent and have proved to be effective. We bring in new customers, drive engagement across multiple channels and always focus on improving their experience with us. We closely manage expenses and simplify our business, and we seek efficiency and greater productivity. We're intensely focused on the regulatory and risk and control environment. We work to hire the best, diverse talent in the industry that also reflects the diverse communities we serve.

Here are some highlights of what we accomplished in 2019 in each of these areas:

Acquire, deepen and retain customer relationships by offering compelling value propositions

We're bringing in new customers and earning more of their valuable business. In 2019, we grew the total number of households we serve and increased the number of households that have a relationship with more than one Chase line of business even faster than households overall. Among our consumer households, 25% have a relationship with two or more Chase lines of business.

Our lending businesses – Credit Card, Home Lending and Auto – are a significant acquisition funnel for our deepest customer relationships,

#1

#1 in total U.S. credit card sales volume and outstandings

#1

#1 primary bank within our footprint

~63M

Nearly 63 million U.S. households served

#1

#1 most visited banking portal in the U.S.

28M

28 million daily visits, calls and digital channel logins

$1.1T

More than $1 trillion in credit and debit card sales volume

NEW TOOLS FOR CUSTOMERS

We've started to bring together our digital experiences to engage customers at an earlier stage in their financial journey. Doing so can help them reach their goals faster. Our already-established digital tools give customers a clear view and understanding of their finances.

Today, customers can better understand and manage some of their most important financial assets; for example, their home. In 2019, we rolled out a digital mortgage offering, Chase MyHome, allowing customers to apply for a loan and initiate a mortgage origination digitally.

Customers can use features such as Credit Journey to receive a detailed view of their finances and borrowing ability; Autosave allows them to set a down payment savings goal. And with Chase MyHome, they can review the value of their current home and explore their neighborhood before applying for a new loan.

These are just a few examples of how we continue to do more to help our customers with their everyday finances. We plan to create more of these experiences for customers with similar opportunities, such as buying a car, saving for a vacation and staying on top of everyday purchases.

Credit Journey

Customers visit Credit Journey to understand their borrowing ability.

Approximately 22 million customers enrolled in Credit Journey as of December 2019.

Autosave

Customers can set goals to save for major purchases.

Autosave helped our customers save more than $1.5 billion in 2019.

Chase MyHome

Users can get home value information on Chase MyHome and track progress through a simplified mortgage experience.

More than 1 million customers have visited Chase MyHome since April 2019, and about 80%[1] of customers used Chase MyHome in 4Q19.

[1] Reflects percentage of consumer originations that used Chase MyHome for loan fulfillment in the fourth quarter of 2019.

bringing in more than half of all new-to-Chase households. Our lending customers respond to Consumer Banking marketing at three times the rate of pure prospects; in branch expansion markets, the response rate is even better. Customers with these deeper relationships are more satisfied and less likely to leave Chase. We continually improve and simplify the customer experience and offer new, customer-centered digital capabilities using our data to benefit and protect our customers.

In Consumer & Business Banking, our focus is to be our customers' primary bank. Customers consider a wide range of factors when choosing their primary bank. Over 75% of our checking households are primary relationships, and we are the #1 business bank based on primary bank relationships. The deposits these customers bring to us are the outcome of that relationship.

Drive engagement through omnichannel, customer-centered experiences

The scale of our distribution gives us a competitive advantage. When we bring new products and services to the marketplace, we bring them to nearly 63 million households that engage with us on a regular basis. On any given day in 2019, 28 million customers visited us, called us or logged in to our digital channels. Two-thirds of our Consumer Banking customers used more than one channel to interact with us during the year. We are still committed to our omnichannel strategy because our customers are. And all of our channels have evolved based upon our customers' preferences and expectations. For example, we're able to build branches in new markets farther apart than branches in our legacy markets because of our new tools and capabilities: our digital account opening functionality and data about our existing customers in those markets.

In these newer markets, customers can choose whether to open an account in a branch or digitally. Until 2018, our checking and savings accounts could only be opened

10+
PERCENTAGE POINTS

10+ percentage point increase in share of self-service Consumer Banking transactions since 2014

52+M

More than 52 million active digital customers

37+M
ACTIVE MOBILE CUSTOMERS

More than 37 million active mobile customers

Secure Banking checking account launched

16 NEW MARKETS ENTERED

16 new markets entered and 90+ branches added since 2018

$1.5+B
AUTOSAVE

$1.5+ billion saved by customers using Autosave

in a branch. In addition, we were able to use the information we have about where our customers live, work and shop to determine the optimal locations to place our new branches and ATMs. This has allowed us to enter markets with the smartest possible footprint and helps explain why the early-stage performance of these branches has exceeded our expectations.

In our digital channels, we are providing new features for our customers based on their relationship with Chase. In Chase Mobile, our Snapshot feature offers personalized insights to help customers make the most of their money. One insight that educates customers on how to begin saving automatically – Autosave – enabled our customers to set aside more than $1.5 billion in 2019.

Improve productivity, agility and customer experience through data, analytics and technology

We're using data, analytics and technology to improve the customer experience and drive productivity. Over the last five years, our operational staff has become 20% more productive, serving a larger customer base with a smaller team. The cost to serve each household has declined 14% over the same time period, as the share of transactions completed through self-service channels has grown more than 10 percentage points.

We are adopting more agile ways of working, including a product- and platform-based architecture. Product and platform owners have end-to-end ownership, which puts decision making closer to the customer, helping us move faster than we could in an annual planning cycle.

These efforts have made us better at providing the capabilities and features that improve the customer experience. As an example, we began extending already-approved offers to existing customers for whom we had enough information to make an approval decision. Being able to show customers products they are qualified for is a superior client experience. Previously, these same customers had been required to reapply for products using the same application as a new-to-Chase customer. For certain customers – 10 million to date – that wasn't necessary; we wanted to save their time and make it easier to do more business with us. Customers value the transparency and certainty of these already-approved offers and the simple one-click experience to accept them. Personalized offers such as these convert at rates up to 20% higher than our traditional marketing offers.

Manage expenses and simplify our business while continuing to invest for the future

We closely manage expenses, continuously simplifying and investing for the medium and long term – driving down our overhead ratio in the process. Our 2019 overhead ratio of 51.7% was 170 basis points better than in 2018 and 6 percentage points better than five years ago. In areas where we have become more efficient, we have been able to self-fund some of our investments in our businesses.

Many of the investments we made have allowed us to reduce annual expenses via automation and enabled the improved productivity described earlier. In Consumer Banking, our investments in digital self-service capabilities have reduced everyday branch transactions per customer by 49% since 2014 – eliminating transactions that are simple and easy for customers to manage anywhere and at their convenience, such as depositing checks.

Our investments for the long term have also led to revenue growth. Examples include the 400 branches we are in the process of opening in new markets to extend our reach. Our new branches in existing markets break even seven months faster than they did five years ago, and the branches in our newer markets are trending even better than that.

Operate a disciplined risk and control environment, protect the firm's systems, and safeguard customer and employee privacy

As always, we are focused on managing risk appropriately and using well-designed controls. This work is never done. Investing in these efforts remains our highest priority, and we have done so consistently over time. We are vigilant and never complacent in this space.

Over the last five years, for example, we've used technology and machine learning to reduce fraud losses in the credit card business by 50%.

We have made great strides to protect customer data, as well as our own systems, when sharing data. Previously, to share information with approved third parties, customers provided their Chase login credentials, giving access to their entire Chase profile. This enabled third parties to obtain information beyond the scope of the customer's intention. That wasn't safe for the customer or for us. Now we require these third parties to abide by our data-sharing rules, and we securely send data that customers choose for us to provide on their behalf. This reduces risk for all parties while giving transparency and control to our customers.

Attract, develop and retain the best talent for today and the future, harnessing the power of diversity

Our talent sets us apart, and we work to attract and retain the best, diverse talent for today and tomorrow. Our team must represent and reflect the diverse customers we serve every day. We are proud that more than 57% of our employees in Consumer & Community Banking are female and more than half of our U.S. employees identify as a minority. The roles with the highest minority representation are disproportionately our customer-facing, front-line roles rather than executive management. We are mindful of this imbalance and are working tirelessly to correct it.

Representation is only part of the equation when it comes to attracting and retaining world-class talent. We are focused on driving inclusiveness and reinforcing the fact that we all are responsible for keeping a culture where everyone is respected and valued for who they are and what they contribute.

Conclusion

We have built tremendous businesses that deliver repeatable revenue. Each year, we work hard to bring in new customers, retain existing ones and generate earnings throughout economic cycles. We are experiencing turbulent times across the country – and the world – as we get set to publish this letter. We are here for our customers in good times and tough times, and that is true now more than ever.

Over the last few weeks, we have been offering relief to our customers and small business clients who are struggling financially. We have provided payment relief for credit cards, auto loans and home loans. We also continue to lend money.

And as we forge ahead through this challenging time and get through it, we still see opportunities to help and support more people. Two opportunities that stand out are: helping a broader range of Americans manage their financial lives and earning the chance to manage investments for the many millions of households that work with Chase as their primary bank.

Our Chase franchise is powerful and differentiated from our peers. We will continue to support our customers, small business clients, communities and employees now and in the future.

Gordon Smith
Co-President and Chief Operating Officer,
JPMorgan Chase & Co., and
CEO, Consumer & Community Banking

Corporate & Investment Bank

In 2019, the Corporate & Investment Bank (CIB) generated earnings of $11.9 billion on revenue of $38.3 billion – a record year for our business.

This standout performance is the culmination of a journey that began during the 2008 financial crisis when clients turned to J.P. Morgan for capital, liquidity and a safe haven.

In 2009, 10 years ago, client business drove earnings in our investment bank to a record $6.9 billion. By 2019, the CIB's earnings had topped the entire firm's net income from 2009. As we close out the decade, it is worth reflecting on the strategy that brought us to this point, helping us to generate record revenue and profits and a consistently strong return on equity (ROE) while adding $42 billion to the CIB's capital base and investing substantially in the business.

Global, complete and at scale

The success of our business over the last decade has hinged chiefly on our steadfast pursuit of three strategic goals: being global, complete and at scale. The benefits of these qualities may seem obvious today but weren't quite so clear a decade ago.

New regulations that followed the financial crisis helped make the banking system safer overall but also made investment banking more expensive. Banks had to hold a lot more capital, which reduced leverage and ROE. At the same time, major investments were needed in technology and compliance.

This created a predicament for banks emerging from the crisis, and they chose several different paths. Some decided to cut back on businesses that were less profitable or carried too much capital. Others retreated from traditional investment banking businesses altogether.

At J.P. Morgan, we believed that clients would always need an array of global banking products even though margins on these products varied. We looked at our client relationships holistically and prioritized long-term value for them over short-term profitability for us. That decision – to continue to provide a full suite of products and services for clients across the globe – has proved to be mutually beneficial.

Having scale has been equally critical to our success. Following the financial crisis, we believed that clients would gravitate to the best ideas and offerings, particularly if they could be accessed anywhere and at any time.

Over the years, that scale has become a springboard for growth. In 2010, we began to expand our international corporate banking effort to include multinational clients around the globe, with 100 bankers dedicated to serving 2,200 clients. Today, our 400 corporate bankers cover 3,300 companies and their subsidiaries worldwide. In addition, we are partnering with Commercial Banking to extend our services to middle market clients internationally.

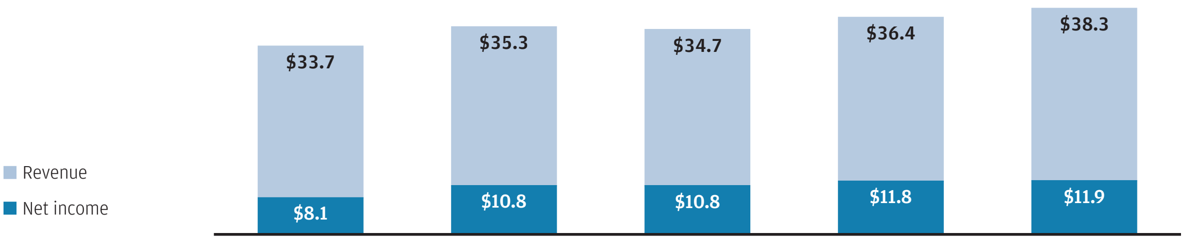
Commitment and consistency

Supporting clients during periods of crisis has always been a hallmark of our business. A decade ago, when investors were worried about bank exposures in struggling economies such as Ireland, Greece, Portugal, Spain and Italy, we did not retrench. On the contrary: In 2009 and 2010, we stood by those countries, raising

Strong Returns on Higher Capital

($ in billions)

	2015[1]	2016	2017	2018	2019
CIB ROE	**12%**	**16%**	**14%**	**16%**	**14%**
Capital	**$62**	**$64**	**$70**	**$70**	**$80**



Overhead ratio	64%	54%	56%	57%	56%

[1] Reported results for 2015 have been revised to reflect the adoption in 2018 of the new revenue recognition guidance.

BANKING

#1

#1 in global Investment Banking fees for the 11th consecutive year

#1
DEBT CAPITAL MARKETS

#1 in global DCM, with #1 in bond underwriting for 10 years in a row and #1 in loan syndication since 2016

#1
EQUITY CAPITAL MARKETS

#1 in global ECM wallet, with $13 billion raised for private markets and #1 in IPO wallet

MARKETS

#1

#1 in Markets revenue globally since 2012

13%

13%
return on equity

#1

#1 in subproducts including equity derivatives, securitized products, and G10 rates, FX and financing

€7.5 billion and €11 billion for Greece and Italy, respectively. That support continues to this day. Last year, we opened a state-of-the-art office in Dublin, which is now a thriving center of technology and commerce.

That commitment and consistency are now spurring the firm's expansion in the world's fastest-growing economies. Ten years ago, regulatory constraints on foreign banks severely restricted what we could offer clients in China. Today, we have approvals from Chinese authorities to open a majority-owned securities joint venture with a path to 100% ownership. Bringing our full suite of banking capabilities to China will enable its companies to grow beyond the country's borders and allow more investors to access its market. This sets us up for tremendous growth in one of the world's largest economies while retaining a prudent approach to expansion.

Stable returns and continuity

The diversity of our CIB businesses has served us well, especially during times of market stress, and we have delivered consistent returns through the entire economic and market cycle. Our traditional investment banking businesses of Markets and Banking have delivered a combined ROE ranging from 14% to 18% over the past five years. Meanwhile, Securities Services and Treasury Services, the traditional transaction banking businesses, have delivered between 10% and 20% during the same period. This means that for the past five years, the combined CIB has achieved an average ROE of 15%.

Equally critical to our long-term success is attracting and, more important, retaining top talent to ensure our clients receive best-in-class execution and consistency in their experience. This is a particular priority in the Investment Banking business, where clients choose us to lead deals because of trust earned over many years.

Our financial stability and continuity of personnel enable us to build effectively on our progress and invest year after year. That investment includes a firmwide technology budget of about $12 billion, much of it directed toward CIB systems. Not only is technology the structural underpinning of our business, but it is also a power that we have learned to scale and selectively share with clients who seek the same cutting-edge analytical and risk mitigation tools that our professionals use in-house.

And while we are more efficient than we were five years ago, there is still more output to be won per dollar of investment. As we modernize our infrastructure and scale our technology capabilities, we will continue to make key investments required to "change the bank" while deploying resources needed to "run the bank" efficiently.

2019 performance

The CIB's record 2019 earnings of $11.9 billion on record revenue of $38.3 billion allowed us to maintain our position as the world's top investment banking franchise for the 11th consecutive year. In addition, we earned $7.6 billion in global investment banking fees, narrowly beating our all-time record of $7.5 billion in 2018.

In the context of generally flat industry revenue, the CIB has won more business and gained greater wallet share than any other competitor over the last five years, according to Dealogic. We ended 2019 with a global wallet share of 9.0%, the highest attained in a decade.

By line of business, we ranked #1 in wallet share for both Equity and Debt Capital Markets during 2019,

SECURITIES SERVICES

#2

#2 custodian globally

$27T

$27 trillion in assets under custody, up 16% year-over-year

20,000+

20,000+ daily net asset valuations provided to clients

WHOLESALE PAYMENTS

#1

#1 in U.S. dollar payments volume

$6T

$6 trillion in payments processed daily

#1

#1 merchant acquirer in the U.S.

raising more than $530 billion for clients around the world. J.P. Morgan was bookrunner on more equity deals than any other bank, a feat we achieved in eight of the last 10 years. And our 9.4% share of the global wallet was the highest of any bank during the last decade.

J.P. Morgan brought 79 companies public in 2019, including several highly anticipated "unicorns," finishing the year as the #1 underwriter of initial public offerings (IPO) by wallet share. At the same time, our Private Capital Markets group raised more than $13 billion for clients, making it a fast-growing part of our business last year.

In a year characterized by cross-border deals, our Debt Capital Markets business acted as the world's leading bookrunner and retained its #1 position with 8.7% of global wallet share. The business showed its strength across product lines, ranking #1 for wallet share in high-grade, high-yield and investment-grade issuance, as well as in leveraged loans.

In our Mergers and Acquisitions (M&A) business, J.P. Morgan ranked #2 globally in announced dollar volume and wallet share, as clients continued to turn to us for complex and transformative deals. Although the global M&A wallet decreased 10% year-over-year, J.P. Morgan gained share across regions, earning global advisory fees of $2.4 billion, 5% shy of our 2018 record.

In our Markets business, which serves more than 6,500 clients, revenue totaled nearly $21 billion in 2019, up 7% from the prior year. The business achieved an overall ROE of 13% despite the additional capital we invested in our trading businesses in recent years.

Approximately $46 billion of stocks cross our Equities Markets trading desks each day. The business generated $6.5 billion in revenue in 2019, making J.P. Morgan the top bank by wallet share, with 11.3%, up from 8.4% in 2015. Our Cash Equities business continued to grow revenue and share, and our balances in Prime Finance finished the year at all-time highs.

It was an exceptional year for our Fixed Income Markets business. Revenue rose 13% to $14.4 billion, with a particularly good performance in securitized products and a recovery in the credit and rates markets from the previous year.

Wholesale Payments celebrated its first year as a combined business that brought together the services we offer to corporate treasurers with those for global merchants. The business performed well during a year in which the Federal Reserve cut interest rates multiple times and margins on deposits tightened.

Wholesale Payments supports clients across the bank; within the CIB alone, Treasury Services revenue was up 39% since 2015. Cash management and clearing were among the strong revenue generators in 2019. In addition, the acquisition of Philadelphia-based InstaMed, an innovative healthcare payments company, was the firm's largest since the financial crisis.

Ongoing investments in the business, which processed $43 million in payments per second last year across more than 120 currencies, helped drive organic growth and a healthy pipeline. In basic terms, Wholesale Payments enables clients to make, manage and accept payments securely anytime, anywhere and by any method. Our opportunity here is tremendous, particularly as business gravitates to larger banks with global scale.

Securities Services, which provides post-trade services such as custody and fund administration, generated $4.2 billion in revenue during 2019, down slightly from the previous year but up 16% since 2015. Although deposit margins narrowed due to lower interest rates, we continued to invest in products, systems and services. The business has generated record growth over the last five years, with assets under custody[1] up 41% and assets under administration[2] up 55%.

Embedding sustainability

At J.P. Morgan, a readiness to adapt has always characterized the way we do business, and our approach to environmental, social and governance issues is no different. The issue of environmental sustainability is gaining urgency by the day and is among the growing risks being evaluated by our business and policymakers.

We understand the pressing nature of climate change and believe that companies like ours can add tremendous value by helping global companies – and the global economy – transition to cleaner energy.

Currently, around 80% of the world's energy is sourced from fossil fuels, which remain the primary source for heating homes and powering cars. We are working to reduce this dependency by committing billions of dollars to sustainable projects in 2020 alone, including green technologies. Furthermore, we are embedding sustainability into many of our daily business practices, from assessing risk to designing products to advising clients.

We have also tightened restrictions on certain activities, such as financing for coal mining and Arctic drilling, and are on track to meet our own commitment from three years ago to source renewable energy for our entire 2020 global power needs. These initiatives are enthusiastically supported by our employees, as well as by the next generation of recruits, who want J.P. Morgan to lead in this space.

That said, business alone cannot ensure the transition to a lower-carbon economy. Government policy is crucial. Recently, we joined the Climate Leadership Council, a group promoting a bipartisan road map for a revenue-neutral, carbon tax-and-dividend framework for the U.S.

Conclusion

Our impressive 2019 performance was not easily won, as competition and geopolitical uncertainty intensified. The year 2020, however, has already presented all of us with our most challenging problem yet: a pandemic of proportions not seen for 100 years.

Across the firm, taking care of our employees and standing by our clients during events like the coronavirus are critical priorities. With so many companies, institutions and governments relying on J.P. Morgan for their own operations and economic well-being, it's essential that we do the right things day to day, staying focused on risk, costs and making sure our clients have access to the capital they need. We must also think about optimizing the business for the near future, continuously making adjustments to ensure that we are as efficient and effective as possible while closing addressable gaps.

Finally, we must think creatively about next-generation transformation and ways that our businesses will change over the next five to 10 years. To that end, we are evaluating emerging technologies and reshaping our approach to data to bring the power of artificial intelligence and machine learning to all our businesses. We're also building out our infrastructure to reduce friction, improve client service and offer access to sophisticated analytics.

We have the most solid underpinnings for the enduring success of a world-class business: the capital, the brainpower and the hard-earned experience to get things right. Although we will be tested by any number and variety of uncertainties in the years to come, these qualities make me confident and optimistic about our shared future.

Daniel E. Pinto
Co-President and Chief Operating Officer,
JPMorgan Chase & Co., and
CEO, Corporate & Investment Bank

[1] **Assets under custody:** Represents assets held directly or indirectly on behalf of clients under safekeeping, custody and servicing arrangements.
[2] **Assets under administration:** Represents the market value of client assets for which administrative and other related services are performed.

Commercial Banking

Across JPMorgan Chase, we measure our success not just by our financial results, but by our ability to make a positive difference for our clients, employees, communities and shareholders. Over the last several years in Commercial Banking (CB), we've been executing a consistent, long-term strategy focused on doing just that.

Our shareholders: Investing for long-term value

Strong 2019 financial performance

To create value in CB, we work hard every day to add great clients and deepen those relationships over time. We've been making sustained investments in our people and capabilities to drive results across our business. In the last two years, we've hired more than 300 bankers and expanded our presence to 24 high-potential locations. These investments have led to more client activity than ever before, and in 2019, we added over 1,700 new client relationships, a 60% increase since 2017.

Our intense client focus and disciplined execution have resulted in consistent strong financial performance across our business. In 2019, CB generated $9.0 billion in revenue, $3.9 billion in net income and a return on equity of 17%. While our overall results were affected by lower interest rates, the fundamentals of our business remained outstanding, with record Treasury Services fee revenue of $1.5 billion and steady loan and deposit growth. We continued to benefit from our strong partnership with the Corporate & Investment Bank, delivering record investment banking revenue of $2.7 billion, up 10% from 2018.

Our credit discipline has served us well, and by maintaining our strict underwriting standards, our net charge-off rate in 2019 was 8 basis points. This marked the eighth straight year in which net charge-offs were less than 10 basis points.

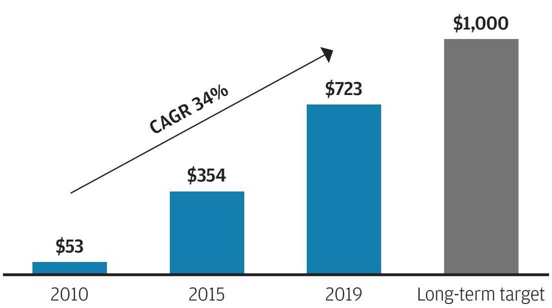
Enormous growth potential

The overall potential to expand our business is tremendous, and as we enter into a new decade, we remain focused on our multifaceted long-term growth strategy. Our Middle Market expansion effort is a terrific example of identifying a market opportunity and executing with purpose. Since 2008, we've nearly doubled our footprint across the country, moving into 47 metropolitan statistical areas (MSAs), adding locations in over 20 states and hiring almost 500 bankers. We've been able to compete and succeed in these new markets because of the quality of our team, the strength of our brand and JPMorgan Chase's unmatched capabilities, delivered at a very local level. To date, we've selectively added almost 3,300 clients, over $15 billion of loans and over $13 billion of deposits.

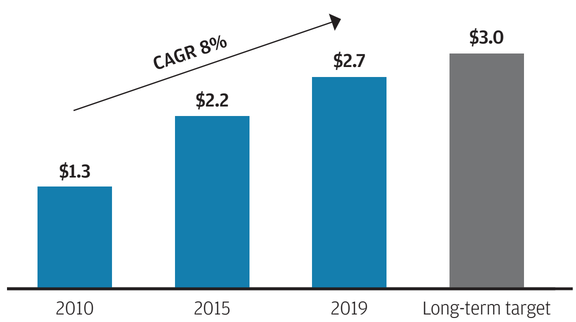
We're equally excited about expanding our business internationally. In 2019, we hired nearly 80 bankers to serve non-U.S.-headquartered, multi-

MAINTAINING STRONG PERFORMANCE

Middle Market Expansion Revenue
($ in millions)



Commercial Banking Gross Investment Banking Revenue[1]
($ in billions)



[1] Represents total JPMorgan Chase revenue from investment banking products provided to CB clients.
CARG = Compound annual growth rate

MAKING A POSITIVE DIFFERENCE IN OUR COMMUNITIES

We take great pride in the work we do to support our communities. We ended 2019 with over $54 billion in financing to local companies, states and municipalities, schools, nonprofits and healthcare providers. We also originated over $2 billion in loans for the construction of affordable housing for low-income individuals. In addition, our teams are very active civically and volunteered more than 25,000 hours with local organizations.

national companies across 18 countries. We have a significant opportunity to support these clients not only in the U.S. but also in other key geographies around the world. As CB continues to build internationally, we benefit greatly from the firm's existing local knowledge and well-established risk, compliance and control infrastructure. Similar to our strategy in the U.S., we are taking a long-term view, focused on selecting only the best clients, and will continue to execute with patience and discipline.

Our clients: Relentlessly focused on delivering solutions and capital to drive their success

Clients are at the absolute center of everything we do, and every day, we strive to deliver differentiated advice, tailored solutions and meaningful capital to help them succeed. The breadth and quality of our capabilities, along with our outstanding team, allow us to build deep, valuable relationships over time. By being part of JPMorgan Chase, we have the ability to serve clients throughout the life cycle of their businesses – from opening their first operating accounts and expanding overseas to funding an important acquisition or taking their company public. In 2019, across our business, we made more than 290,000 client calls and grew loans by $2.4 billion, ending the year with $208 billion in average loan balances. Our long-term view, unmatched solutions and enduring commitment to our clients set us apart in the industry.

As our clients' expectations continue to evolve, we have dedicated teams designing new functionality that will deliver even greater value to our clients and enhance their experience. This design-led approach has informed our investments in technology, data, digital and payments. To date, our work has resulted in tangible benefits, such as faster credit delivery, reduced account opening time and new integrated solutions.

We can uniquely bring our clients an entire suite of wholly owned, global treasury capabilities, including merchant acquiring, commercial cards and cross-border payments. These integrated solutions allow clients to accept any method of payment, in any currency, around the world. Moreover, clients can connect with us however they want, from a global exchange to application programming interfaces. As a result of the investments we are making in our comprehensive payments platform, we can deliver valuable analytics and insights to clients across all of their treasury activities to optimize their businesses.

Our communities: Serving as a positive force where we live and work

In CB, we embrace our obligation to be a positive force in our communities. We ended 2019 with over $54 billion in financing to local companies, states and municipalities, schools, nonprofits and healthcare providers. We have dedicated teams across the country, working hard to support these vital institutions so they can continue to keep our communities strong.

Our Commercial Real Estate (CRE) businesses are also at the forefront of this important work. As the #1 multifamily lender in the U.S.[1], Commercial Term Lending (CTL) provides capital to apartment building and workforce housing owners. In 2019, more than 40% of the loans originated in CTL funded properties in low- to moderate-income neighbor-

[1] S&P Global Market Intelligence as of December 31, 2019.

GROWING OUR CLIENT FRANCHISE

170+	290K+	1700+	50	172
NEW BANKERS	CLIENT CALLS	NEW CLIENT RELATIONSHIPS	PRESENCE IN TOP 50 MSAs	OFFICES IN 172 CITIES GLOBALLY

hoods. Our Community Development Banking team had a record year, originating over $2 billion in loans for the construction of affordable housing and extending nearly $200 million in financing to critical community development institutions. In total, our CRE business financed more than 25,000 housing units for low-income individuals in 2019.

Across CB, our people best demonstrate the positive impact we create in our communities. Many of our employees are active civically and serve on philanthropic boards. Last year, our team volunteered more than 25,000 hours with local organizations. We take great pride in the work we do to support our communities and the firm's commitment to make a difference.

Our employees: Empowering and enabling our teams

Our success wouldn't be possible without our incredible team. As such, we're focused on having the best, diverse talent with the right skills to lead our business forward. We're making significant investments in our training and development programs to enhance our team's expertise in emerging technologies, data and digital solutions. We have created dedicated training centers that host intensive credit and treasury services programs to build upon critical knowledge and enable our teams to provide even more value to our clients. Overall, in 2019, CB employees completed more than 350,000 hours of training.

We're also investing to empower our teams with the best digital tools and data resources to ensure their success. Last year, we launched a new client management system that harnesses the power of cloud technology and our firmwide data assets to better support our bankers. This platform provides live dashboards with real-time client information – alerting our team on service needs, product usage and the overall health of their client portfolio. So far, we've received tremendous feedback, as the tool meaningfully increases efficiency and allows more time to be spent with our clients.

Looking forward: Continuing to execute with patience and discipline

Focused on our strategic priorities

Looking ahead, our attention remains focused on executing our long-term strategic priorities. We will continue to invest and drive innovation across our businesses, build deep client relationships, maintain fortress principles, and attract and retain the best talent. Doing all of this with patience and discipline will allow us to deliver value for our clients, employees, communities and shareholders throughout the cycle.

Managing the market challenges emerging in 2020

We have a long history of supporting our clients and being a market leader through challenging times. Our approach to the current global crisis is no different. As we navigate this complex situation, I have never been more proud of the entire CB team and am so grateful for their hard work, compassion and tenacity. It's inspiring to see everyone come together to support one another, and I am confident the work we are doing for our clients and our communities right now will be remembered forever.

Douglas B. Petno
CEO, Commercial Banking

Asset & Wealth Management

2019 marked my 10th year as CEO of Asset & Wealth Management. During this past decade, we have successfully helped millions of individuals and institutions around the world invest for their futures. Our clients come to us for advice, ideas and solutions for some of their most important life events, and for help in navigating through turbulent times. We cherish our clients' trust and never take it for granted.

Strong investment performance for clients

Our success begins with a focus on investment performance, which requires the unwavering, long-term prioritization and retention of our 1,000+ investment professionals. This has led to 88% of 10-year long-term mutual fund assets under management above peer median and 196 mutual funds 4- or 5-star rated[1]. It's worth noting that our performance is not concentrated in any asset class or region. It represents leading performance across all asset classes globally.

We strive to be the best, not the biggest. If you relentlessly work to be the best, you will have years like 2019, in which we received $194 billion in net new client asset flows[2]. In fact, since 2015, we received half a trillion dollars in net new client asset flows[2]. Similar to our investment performance, our flows are not concentrated in any one asset class, region or client segment, but come from a well-diversified set of businesses.

Strong financial performance for shareholders

I am proud of our results for our clients, while, at the same time, we continue to deliver strong financial performance for our shareholders. In 2019, Asset & Wealth Management achieved record total client assets of $3.2 trillion, record revenue of $14.3 billion, record pretax income of $3.7 billion and return on equity of 26%. Our reliable and consistent growth has been powered by success across our diversified Asset Management (AM) and Wealth Management (WM) franchises. Given our long-term approach, we are even prouder of our sustained performance over the past 10 years.

$3.2T

Record client assets of $3.2 trillion

$14.3B

Record revenue of $14.3 billion

$3.7B

Record pretax income of $3.7 billion

$161B

Record end-of-period loan balances of $161 billion

$100B

Record long-term AUM flows of $100 billion

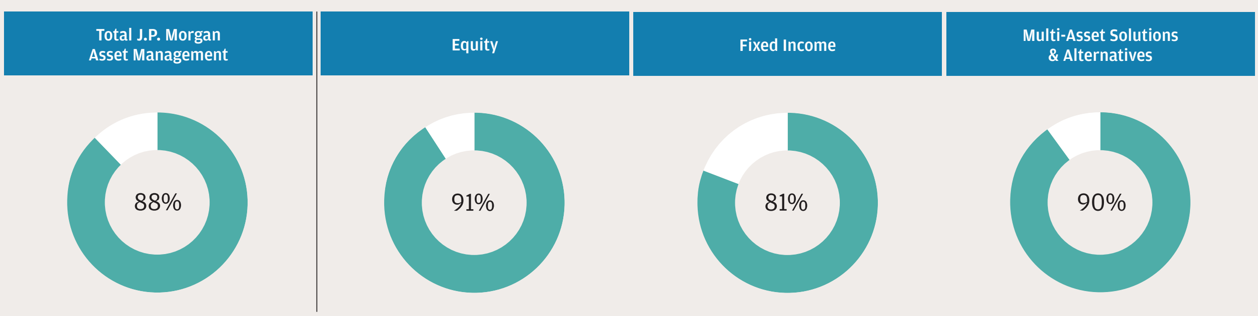
88%

88% of 10-year AM long-term mutual fund AUM above peer median

Retention rate of over 95% of top talent[3] and 39% of AM AUM managed by female portfolio managers

2019 % of 10-year J.P. Morgan Asset Management Long-Term Mutual Fund AUM Above Peer Median[4]

(net of fees)

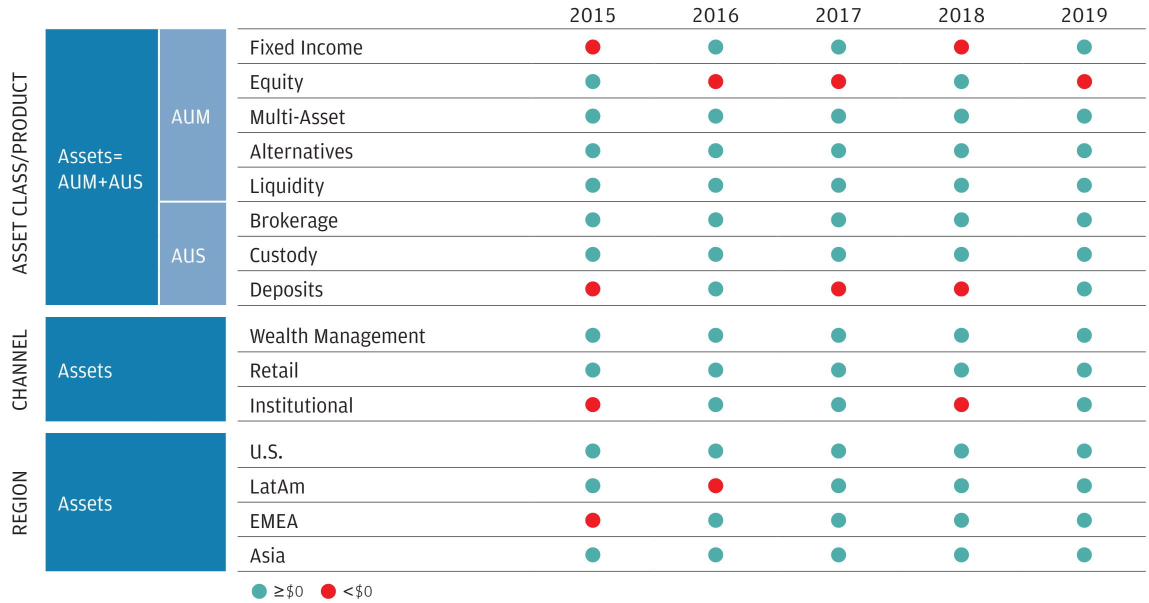


For footnoted information, refer to slides noted below in the 2020 Asset & Wealth Management Investor Day presentation, which is available at jpmorganchase.com/corporate/investor-relations/event-calendar.htm.

[1] See slide 18; [2] See slide 25; [3] See slide 17; [4] See slide 20.

AUM = Assets under management

JPMorgan Chase Total Client Asset Flows: 2015-2019[1]



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[1] See slide 25; [2] See slide 18; [3] See slide 19; [4] See slide 20.
AUS = Assets under supervision

Asset Management

Since 2009, AM grew revenue[2] by 1.5x to $7.3 billion and pretax income by 1.4x to $1.9 billion. That success has been driven by a broad, diversified platform. On long-term AUM, we achieved record levels across asset classes (Equity, Fixed Income, Multi-Asset), segments (Retail and Institutional) and geographies (U.S. and International). We also achieved success in key growth areas of the market, with Multi-Asset AUM growing by 6.4x to $267 billion and, in particular, Target Date AUS growing by 25x to $125 billion.

Wealth Management

Growth since 2009 is an equally powerful story in WM, where revenue grew by 1.8x to a record $7.1 billion and pretax income by 1.7x to $1.9 billion. We continue to differentiate ourselves by providing the advice, solutions and client experience that our clients need. As an example of their commitment, we've nearly tripled the number of clients with over $100 million of total positions to a record level. In addition, we've grown the number of managed accounts by 7.6x to a record 730,000.

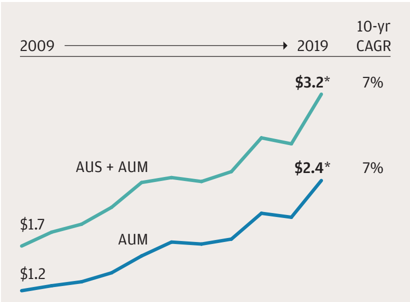
x = times

Growth priorities for the next decade

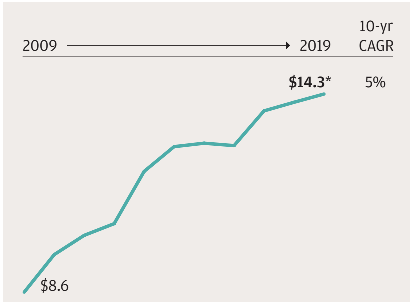
Looking ahead to the next decade, we are highlighting five major drivers to continue our momentum:

- ***Focusing* on U.S. Wealth Management:** This is one of the firm's biggest opportunities with the U.S. representing approximately $50 trillion in market size[3]. For example, Chase banks half of the 22 million households within the $1 million to $10 million net worth segment[3], but only 5% have investments with us. We have a tremendous opportunity to capture new clients and deepen current relationships.
- ***Expanding* the Global Private Bank:** Over the last five years, we've hired approximately 1,300 advisors, successfully converted hundreds of referrals from around the firm, attracted over 11,000 net new clients and captured around $200 billion in client asset flows. We still have a significant expansion opportunity, particularly internationally, where we have less than 2% market share[3]. We plan to capture share by continuing to be the go-to bank, delivering solutions across the balance sheet.
- ***Scaling* Asset Management:** To scale, we need strong, diversified long-term investment performance, which we have with 91% of Equity, 81% of Fixed Income and 90% of Multi-Asset Solutions & Alternatives 10-year mutual fund AUM above peer median. This performance has driven our above-industry growth over the last 10 years[4] and will continue to be our foundation to scale over the next 10 years. And with around 2% market share across asset classes[4], we have significant opportunity to capture share.
- ***Building* Alternatives:** We are celebrating our 50th anniversary of managing what is now nearly a quarter of a trillion dollars in Alternative assets. I am excited about the opportunities to continue building our franchise, from expanding our leading core real estate capabilities to building out our newly consolidated private credit capabilities.

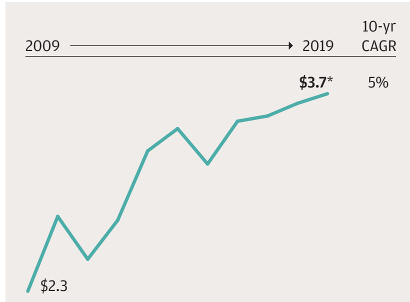
Client Assets (EOP, $ in trillions)



Revenue ($ in billions)[1]



Pretax Income ($ in billions)



* Record

[1] For footnoted information, refer to slide 17 in the 2020 Asset & Wealth Management Investor Day presentation, which is available at jpmorganchase.com/corporate/investor-relations/event-calendar.htm.

- ***Considering* M&A:** While we always prefer organic growth, there are times when the industry changes drastically, and we need to be on top of it, which is what we are doing now. We are very selective, evaluating every M&A opportunity for an adjacent capability. But most important, we always prioritize our clients' needs and increasing shareholder value.

Continuing to invest in the business

Our long-term commitment means that we will continue to serve our clients and invest in making our business better for the future:

- **Front office:** We will continue to hire top front office talent. Additionally, we will continue to invest in our investment capabilities, spending around $320 million on AM research and making thousands of company visits annually.
- **Technology:** We are creating and leveraging tools, such as You Invest and machine learning, to help our clients and employees focus on higher-value activities and make better decisions. We always look to simplify our production processes so that 50+% of our technology spend is dedicated to new and exciting capabilities that deliver stronger client outcomes.
- **Environmental, Social & Governance (ESG):** With the help of industry experts we have hired, we are doing more than ever before, focusing on our clients' needs and delivering across AM and WM. In AM, we are working toward 100% of AUM being ESG-integrated while we launch new ESG-focused WM strategies.
- **China:** We've been in China since the 1970s, and we are set to become the first foreign asset manager to fully own a Chinese fund manager with China International Fund Management. Our increased stake will further solidify our position in China and better address our clients' needs.

As I write this letter, we are at an unprecedented moment in time. The global COVID-19 pandemic has caused many people to suffer, created historic volatility and changed how we work and live. However, we can take comfort in knowing that people around the world are coming together to respond to these challenges in powerful and inspiring ways.

As a fiduciary, we view events that completely disrupt an industry, country or way of living as the times when active security selection (and deselection) is of the utmost importance. With all three of these areas being impacted concurrently in 2020, now is the *most important* time to have portfolios actively managed.

In times like these, I'm also reminded of how fortunate I am to be part of JPMorgan Chase. For more than 200 years, we have been at our best in the most difficult of times. I am proud of, and inspired by, how our colleagues and partners have responded to this crisis, and I remain incredibly optimistic about the firm's future.

Mary Callahan Erdoes
CEO, Asset & Wealth Management

Corporate Responsibility

As the world faces the health and economic consequences of COVID-19, the challenges ahead are a stark reminder that too many people already struggle with economic insecurity every day. This struggle will likely escalate as this public health crisis continues to disrupt the global economy.

Now more than ever, business must step up and collaborate with local, civic and government leaders to lend our expertise toward solutions that support our customers, communities and employees in need. Business Roundtable's recent Statement on the Purpose of a Corporation made clear that America's largest companies must operate for the benefit of *all* stakeholders, and we must be there for them in both good and challenging times.

For JPMorgan Chase, this means bringing the full force of our business to lift up those we serve around the world, focused on where we can deliver the greatest impact and reinvigorate the global economy to benefit more people.

In response to COVID-19 and in addition to efforts across the firm to support our customers and employees in need, we made an initial $50 million philanthropic commitment to help those most affected by humanitarian challenges, as well as sustainable and innovative solutions to help small businesses and underserved communities recover when the crisis subsides. We will continue to focus on areas where we can leverage our core business, philanthropy and policy expertise to help the most vulnerable in the short and long term. In addition to supporting small businesses, this approach has effectively informed and scaled solutions across pillars that will remain critical to helping those most vulnerable as they face financial hardship and uncertain work opportunities, including neighborhood development, financial health, and jobs and skills.

Our ongoing efforts to help prepare workers for the future of work exemplify this strategy in practice. As technology alters nearly every facet of work, the education and skills that people need are rapidly changing. We have combined our resources and reach to give people the education and skills they need to succeed. We have committed $350 million globally to support and scale the most effective local initiatives to equip people with in-demand skills. This investment will be even more critical given the recent unforeseen disruption in the global economy and the longer-term need to rebuild the labor market. From Delhi to Detroit, efforts focused on opportunity and inclusivity, like career and technical education in high schools to apprenticeships in growing industries, are preparing more people to launch successful careers. Additionally, in partnership with our Human Resources team, we're redefining how we train and develop our employees by identifying future-critical skills.

Scaling the most effective programs and creating greater economic opportunity for the most vulnerable will require thoughtful and effective public policy. Last year, we launched the JPMorgan Chase *Policy*Center to advance policies at the federal, state and local levels that strengthen communities and change lives. Business leadership in developing policy solutions is critical as we work to address the longer-term impact of this crisis. We have a track record of supporting policies that provide economic opportunity to more people, including by giving those who have a criminal history a second chance. We are advocating at the state and federal levels for reforms including "banning the box," establishing automatic record expungement for certain offenses and promoting fair-chance hiring in the financial services sector. In 2019, our firm gave second chances to 3,000 people in the U.S. with criminal backgrounds.

As the world responds to this health and economic crisis, we will need to be nimble and lean into our strengths to best support those who have been most vulnerable to economic disruption. We will continue to apply what we learn to scale solutions, deepen our impact and support our customers, communities and colleagues. Make no mistake: An inclusive economy is a stronger economy, and we all have an interest in that.

Peter L. Scher
Head of Corporate Responsibility and Chairman of the Mid-Atlantic Region

Creating an economy that works for more people

Companies like ours have a responsibility to step up and help solve pressing challenges. When communities do well, our firm does well. This conviction is reflected in how JPMorgan Chase does business every day. We're investing in our customers, employees and communities around the world to break down barriers to opportunity and create an economy that works for more people.

We are combining our business and policy expertise, sustainable business practices, data, capital and global presence to advance solutions worldwide. Our efforts focus on five key areas where we believe we can make the greatest impact: jobs and skills, neighborhood development, small business expansion, financial health and sustainability.

Advancing policy solutions

Public policy is a critical tool to scale the most innovative and impactful approaches that bring about lasting change. In 2019, we launched the JPMorgan Chase *Policy*Center to develop and advance sustainable, evidence-based policy solutions that drive inclusive economic growth in the U.S. and around the world.

Through the *Policy*Center, we are advancing policy changes to remove barriers to employment for people with a criminal background and advocating for policy solutions that will enable more young people — particularly those who lack opportunity — to access high-quality career-readiness programs that pave the way to well-paying jobs. In 2020, the *Policy*Center will expand its focus to tackle additional issue areas.

Harnessing the power of data

Sound public policy is informed by timely, granular data. The JPMorgan Chase Institute is dedicated to delivering data-rich analyses and expert insights for the public good. Leveraging the firm's unique assets and proprietary data, the Institute helps policymakers, businesses and nonprofit leaders use timely data and thoughtful analyses to address critical issues and advance global prosperity.

Our data allow us to better understand and answer important questions about the financial health and resilience of U.S. consumers, businesses and communities, as well as study labor and financial markets. In 2019, the Institute shared valuable insights across a range of areas, including how student loan payments affect the financial lives of 4.6 million families; how Miami's small businesses turn a profit yet have limited cash buffers; and how families are weathering financial volatility on a monthly basis.

Preparing workers for the future of work

Technological change continues to transform the world of work. By 2030, more than 30% of American workers and 375 million workers globally will need to change jobs or upgrade their skills significantly in order to advance within the workforce. We are investing $350 million over the next five years to equip young people and adults with the skills they need to be successful in a rapidly changing economy. We are working to create greater economic mobility and career pathways for workers both inside our firm and in our communities. Our firm is investing in our employees through long-term training and reskilling efforts. We are also making long-term commitments to boost career readiness. We invested $7 million in Denver, Colorado's youth apprenticeship system to develop strong connections between high schools and higher education, focused on well-paying careers in the region's growing industries.

Boosting small business growth

Through our long-term investments around the world, we have seen firsthand how underserved, minority entrepreneurs have the power to lift up entire communities. Yet these populations often face unique barriers that inhibit their success. This is why our efforts focus on unleashing their power as drivers of opportunity. We have taken many insights learned from innovative models, such as the Entrepreneurs of Color Fund (EOCF), and are applying them to more communities. For example, in Paris, we're working with nonprofit partners to help local and diverse entrepreneurs in Seine-Saint-Denis grow their businesses. In London, we're giving a boost to female entrepreneurs by providing technical support and hands-on mentorship.

Cultivating thriving neighborhoods

Housing that individuals and families can afford, in proximity to economic opportunity and basic services, is the cornerstone of vibrant and resilient neighborhoods. Producing, preserving and protecting affordable housing is essential to our strategy for creating thriving neighborhoods. For example, we're investing $22 million to develop and preserve affordable housing in San Francisco and Oakland. This investment, which combines long-term, low-cost loans and philanthropic capital, will provide more affordable housing and protect local residents from being displaced.

Advancing financial health

Sound financial health is the foundation on which strong and resilient households, communities and economies are built. We're using our data, expertise and capital to improve the financial health of customers, employees and communities. In 2019, JPMorgan Chase made a $25 million commitment to the Financial Solutions Lab, which supports technology-based innovations that improve financial health. This investment builds on our five-year collaboration with the Financial Solutions Lab, which has supported nearly 40 innovative financial technology companies (fintechs) that have raised over $500 million in capital since joining the program, saving U.S. residents more than $1 billion.

Transitioning to a low-carbon economy

JPMorgan Chase is committed to creating a more sustainable future for our employees, customers and communities. Our firm has committed to facilitate $200 billion in financing in 2020 to support the objectives of the United Nations' Sustainable Development Goals, with a focus on addressing climate change and advancing social and economic development.

We are also promoting bipartisan, market-based policy solutions — such as a carbon tax-and-dividend framework for the U.S. — to reduce carbon emissions and protect consumers. And we've expanded restrictions on financing for coal mining and coal-fired power and prohibited financing for new oil and gas development in the Arctic. Finally, we're on track to source renewable energy for 100% of our own global power needs by the end of 2020.

2019 HIGHLIGHTS AND ACCOMPLISHMENTS

Awards and recognition

- Ranked Top 10 on *Fortune* magazine's World's Most Admired Companies list
- Named to *Fortune* magazine's Change the World list – third consecutive year
- Named to the *Military Times'* Best for Vets Employers list
- Earned 100% on the Human Rights Campaign's Corporate Equality Index – 17th consecutive year
- Inducted into the Billion Dollar Roundtable for attaining at least $1 billion in diverse supplier spend

Accomplishments

- *Advancing*Cities: Bolstering the long-term vitality of the world's cities through low-cost, long-term loans and philanthropic investments:

  – Detroit: Six years into our $200 million commitment:

    14,728 people participated in workforce training programs; 2,002 units of affordable housing were created or preserved; 17,255 people received services to improve their financial health; 3,855 jobs were created or retained; and 7,718 small businesses received capital or technical assistance

  – Chicago's South and West sides: Two years into our $40 million commitment:

    6,362 people participated in workforce training programs; 48 units of affordable housing were created or preserved; 49,314 people received services to improve their financial health; 2,323 jobs were created or retained; and 3,305 small businesses received capital or technical assistance

  – Greater Paris: First year of our $30 million commitment:

    4,000 people participated in career-readiness programs; 12 small businesses received capital or technical assistance

  – Greater Washington region: Two years into our $25 million commitment:

    224 people participated in workforce training programs; 955 units of affordable housing were created or preserved; 1,120 jobs were created or retained; and 2,092 small businesses received capital or technical assistance

  – Bay Area: New $75 million, five-year commitment to help address housing affordability and displacement challenges in San Francisco and Oakland.

  – The inaugural *Advancing*Cities competition – which sources innovative and sustainable solutions that address pressing challenges facing communities – awarded a total of $15 million to winning cities: Chicago, Louisville, Miami, San Diego and Syracuse.

- Jobs and skills: Over the past six years, we have helped more than 150,000 people across 37 countries develop in-demand skills for jobs in growing industries.
- Financial health: In India, the Financial Inclusion Lab has supported 18 fintechs, which have expanded their services to reach more than 900,000 people in underserved communities in the country. Additionally, we committed $15 million to the Catalyst Fund, in partnership with UK Aid, to advance financial inclusion in emerging markets.
- Neighborhood development: To date, we've hosted six Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods) competitions, awarding more than $131 million to over 95 Community Development Financial Institutions across the U.S. As of 2019, the winners raised more than $870 million in outside capital and made over 35,000 loans worth in excess of $475 million dedicated to low- and moderate-income communities.
- Small business expansion: We expanded EOCF to five metros – Detroit, Chicago, the South Bronx, the Bay Area and the Greater Washington region – providing minority entrepreneurs with access to capital, education and other resources. Through 2019, we committed over $17 million through EOCF, resulting in more than 475 loans, totaling $17 million in deployed loan capital that created or retained over 3,000 jobs.
- Sustainable finance: In 2019, we provided over $3 billion for wind and solar projects. Since 2003, JPMorgan Chase has committed or arranged $24 billion in financing for wind, solar and geothermal projects.
- Employees serving our communities:

  – Nearly 73,000 employees volunteered 467,000 hours in 2019. This includes 325 employee volunteers from 14 countries who contributed nearly 20,000 hours working with about 70 nonprofits through the JPMorgan Chase Service Corps.

  – More than 400 employees contributed to the Board Match program, which doubles the impact of eligible employees' donations to nonprofits on whose boards they serve, resulting in the firm matching more than $1.6 million to those organizations.

  – In 2019, our firm and employees donated more than $2.8 million to disaster relief efforts around the globe.