



Environmental Social & Governance Report

2018

JPMORGAN CHASE & CO.

Message from Our Chairman & CEO

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Business thrives when communities thrive. At JPMorgan Chase, we are committed to serving our clients, communities and shareholders in good and in difficult times. We know that accountability, transparency and integrity are the cornerstones of doing good business, which includes effectively managing environmental, social and governance matters.

We also recognize that business has a role to play in solving social challenges, and we work to do so by supporting and developing the skills of our employees, offering innovative products that cater to our customers' needs and investing in our communities to help more people share in the benefits of economic growth.

That's why, in addition to opening 400 new Chase branches in new markets across the U.S., we are leveraging all of our Firm's capabilities – our capital, data, talent and philanthropic expertise – to lift up underserved communities. We have raised wages for our U.S. hourly employees by an average of 10% – ranging from between \$15 and \$18/hour – and have committed to opening 30% of our new branches in low- and moderate-income neighborhoods.

In 2018, as part of our efforts to make sure that the economy works better for more people, we also launched *AdvancingCities*, a \$500 million initiative to create economic opportunity for people who have been left behind in cities around the world. These efforts underscore the degree to which our mission to drive inclusive growth has become a core tenant of our culture.

In addition to stepping up for our communities and people, we are stepping up our commitment to sustainability because we believe the private sector plays an important role in creating solutions that help grow the economy and addressing challenges such as climate change. That's why we committed to facilitate \$200 billion in clean financing by 2025. And, we are proud to say that by the end of 2018, we had facilitated over \$100 billion for companies advancing renewable energy, clean technology, sustainable transportation, waste management and water treatment solutions.

By addressing some of the world's biggest challenges, we are positioning our Firm and communities we serve to be successful today and over the long term. In this report, I invite you to read about these and other ways in which we work every day to create an exceptional company.

Jamie Dimon

Chairman & CEO, JPMorgan Chase & Co.

Introduction

Environmental, social and governance (ESG) considerations are integrated across our business and built into the policies and principles that govern how our Firm operates. Our approach to ESG management includes having robust governance systems, risk management and controls; investing in our employees and cultivating a diverse and inclusive work environment; serving our customers exceptionally and transparently; strengthening the communities in which we live and work; and integrating sustainability into our financing activities and operations.

We view effective management of ESG matters as a business fundamental and seek continuous improvement in these areas because they underpin the long-term success of our Firm and our ability to deliver value for our stakeholders.

About This Report

Our Firm is committed to communicating regularly and transparently with our stakeholders about how we do business. One way we do so is by publishing this annual ESG Report, which provides information on how we are addressing the ESG matters that we and our stakeholders view as among the most important to our business. We also maintain a dedicated ESG Information page on our website to facilitate access to the wide range of information and resources that we publish on these topics.

While we share information about our ESG performance through a number of channels – including various reports and presentations, regulatory filings, press releases and conversations with stakeholders – the annual ESG Report consolidates and summarizes the most important aspects of our work in these areas. It is also designed to guide readers to where they can access more detailed information about specific topics of interest. All data are as of December 31, 2018, unless otherwise noted.

This report is intended to be a companion to our 2018 Annual Report and 2019 Proxy Statement, as well as our annual Corporate Responsibility Report, which focuses on the Firm's initiatives to drive inclusive growth in communities around the world. This report also provides updates on many of the topics covered in How We Do Business – The Report.

This ESG Report, in combination with a separate Index available on our website, has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. The GRI is an international standard commonly used by companies and other organizations to guide sustainability reporting.

Company at a Glance

JPMorgan Chase & Co. is a leading global financial services company with assets of \$2.6 trillion and a presence in over 100 markets. The Firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing and asset management. A component of the Dow Jones Industrial Average, JPMorgan Chase serves millions of consumers in the U.S. as well as many of the world's most prominent corporate, institutional and government clients, under its J.P. Morgan and Chase brands.

JPMorgan Chase's activities are organized, for management reporting purposes, into four major reportable business segments, as well as a Corporate segment. The business segments are referred to as lines of business. For further information on our business segments, refer to Business Segment Results on pages 60-78 of our Annual Report on Form 10-K for the year ended December 31, 2018.

Consumer & Community Banking (CCB)

CCB serves consumers and businesses through bank branches, ATMs and digital (including online and mobile) and telephone banking. CCB offers home and auto loans, deposit and investment products, cash management and payment solutions, and it issues credit cards to consumers and small businesses.

Corporate & Investment Bank (CIB)

The CIB offers a broad suite of investment banking, market-making, prime brokerage and treasury and securities products and services to a global client base of corporations, investors, financial institutions and government and municipal entities.

Commercial Banking (CB)

CB provides comprehensive financial solutions including lending, treasury services, investment banking and asset management across three primary client segments: Middle Market Banking, Corporate Client Banking and Commercial Real Estate Banking.

Asset & Wealth Management (AWM)

AWM serves institutions and individuals, including pension and sovereign wealth funds, central banks, retail investors and many of the world's wealthiest individuals and families. AWM offers investment management across most major asset classes, as well as brokerage and banking services. The majority of AWM's client assets are in actively managed portfolios.

Financial Performance

As of or for the year ended December 31, 2018 (in millions, except per share, ratio data and headcount)

	2018	2017	2016
Reported basis^a			
Total net revenue	\$ 109,029	\$ 100,705	\$ 96,569
Total noninterest expense	63,394	59,515	56,672
Pre-provision profit	45,635	41,190	39,897
Provision for credit losses	4,871	5,290	5,361
Net income	32,474	24,441	24,733
Per common share data			
Net income per share:			
Basic	\$ 9.04	\$ 6.35	\$ 6.24
Diluted	9.00	6.31	6.19
Cash dividends declared	2.72	2.12	1.88
Book value	70.35	67.04	64.06
Tangible book value (TBVPS) ^b	56.33	53.56	51.44
Selected ratios			
Return on common equity	13%	10%	10%
Return on tangible common equity (ROTCE) ^b	17	12	13
Common equity Tier 1 capital ratio ^c	12.0	12.1	12.2
Tier 1 capital ratio ^c	13.7	13.8	13.9
Total capital ratio ^c	15.5	15.7	15.2
Selected balance sheet data (period-end)			
Loans	\$ 984,554	\$ 930,697	\$ 894,765
Total assets	2,622,532	2,533,600	2,490,972
Deposits	1,470,666	1,443,982	1,375,179
Common stockholders' equity	230,447	229,625	228,122
Total stockholders' equity	256,515	255,693	254,190
Market data			
Closing share price	\$ 97.62	\$ 106.94	\$ 86.29
Market capitalization	319,780	366,301	307,295
Common shares at period-end	3,275.8	3,425.3	3,561.2
Headcount	256,105	252,539	243,355

a Results are presented in accordance with accounting principles generally accepted in the United States of America, except where otherwise noted.

b TBVPS and ROTCE are each non-GAAP financial measures. For further discussion of these measures, refer to Explanation and Reconciliation of the Firm's Use of Non-GAAP Financial Measures and Key Financial Performance Measures on pages 57-59 of the 2018 Annual Report.

c The ratios presented are calculated under the Basel III Fully Phased-In Approach, and they are key regulatory capital measures. For further discussion, refer to "Capital Risk Management" on pages 85-94 of the 2018 Annual Report.

Our Key Environmental, Social & Governance Topics

As a global financial services company, JPMorgan Chase manages a broad range of ESG matters. This report is designed to focus on those we have identified as among the most relevant to our business and of greatest interest to our stakeholders.

In 2015, we undertook a structured process, which included discussions with subject matter experts from across our business and a range of external stakeholders, to identify the topics covered in this report. Every year, we reassess these areas based on the feedback we receive and insights we gain (see Stakeholder Engagement, p. 6). We also regularly monitor ESG trends, standards and practices related to our industry. We have reaffirmed that the broad categories we had identified remain relevant for our Firm, and have made a small number of adjustments to the key topics to reflect our evolving operating environment and management approach.

The following topics are discussed in this report:

<p>Promoting Sound Governance</p>	<ul style="list-style-type: none"> ▶ Board leadership and management processes ▶ Ethical culture ▶ Control environment ▶ Cybersecurity ▶ Political engagement and public policy
<p>Serving Our Customers</p>	<ul style="list-style-type: none"> ▶ Engagement with retail customers and consumer organizations ▶ Fair and transparent marketing and advertising ▶ Data security ▶ Serving a diverse retail customer base ▶ Promoting consumer financial health globally
<p>Investing in Our Employees</p>	<ul style="list-style-type: none"> ▶ Talent attraction, retention and development ▶ Compensation and benefits for our employees ▶ Diverse and inclusive culture
<p>Supporting Our Communities</p>	<ul style="list-style-type: none"> ▶ Use of investment and philanthropic capital to expand access to economic opportunity in the communities where we do business
<p>Advancing Sustainability</p>	<ul style="list-style-type: none"> ▶ Integration of environmental and social matters into due diligence and analysis ▶ Financing solutions that generate positive environmental and social impacts ▶ Partnerships with organizations to advance sustainable development ▶ Management of the environmental impacts of our buildings and branches, including energy use, greenhouse gas emissions, water and waste

More information about how these topics align with the GRI Standards reporting framework, including how we define topic boundaries and the GRI topics and disclosures we report, can be found in our GRI Index.

Stakeholder Engagement

Our Firm has a broad range of stakeholders, including shareholders, employees, regulators and policymakers, clients and customers, research analysts, members of the communities where we do business and nongovernmental organizations. Ongoing and proactive engagement with these groups makes our company stronger and better informed. It helps us gain valuable insight into our stakeholders' perspectives and the topics that matter to them. It better enables us to develop products, services and programs that are responsive to their needs. This engagement also allows us to share information about our Firm's strategy, practices and performance.

Responsibility for engaging with stakeholder groups is widely shared across our Firm's lines of business and corporate functions, and we engage through numerous channels. For example:

Shareholders

We interact and communicate with shareholders through our annual Investor Day, quarterly earnings calls, Securities and Exchange Commission filings, Annual Report and Proxy Statement, annual meeting of shareholders, investor conferences, web communications and other forums. We conduct a formal shareholder outreach program twice a year, with fall meetings focused on corporate governance, strategy and financial matters and spring discussions focused on matters related to the Proxy Statement. In these meetings, we solicit shareholders' perspectives and share information about our management of a range of matters, including ESG topics. After each of these outreach programs, we provide investor feedback to the Board. The shareholders who participated in these meetings in 2018 represented over 45% of the Firm's outstanding common stock.

We also engage in dialogue outside these more formal channels with shareholders who have a long-term economic interest in our company. These engagements provide us with useful feedback, which we consider when developing the processes that set the governance practices and strategic direction for the Firm.

Employees

We share information with our employees and gather their input through our biannual global Employee Opinion Survey, regular town hall and small group meetings, blogs and newsletters, online suggestion tools via our intranet and other forums. We also have a variety of mechanisms through which employees can fulfill their obligation to report any known or suspected violation of our Code of Conduct, company policies or laws that govern our business. This includes our toll-free Code Reporting Hotline, which is operated by an independent third-party reporting service and offers translation services. Employees can contact the hotline 24 hours a day, seven days a week, to report concerns.

Regulators & Policymakers

We strive to maintain an open, ongoing dialogue with our global supervisory regulators and a broad array of other policymakers. Our senior leaders and Directors commit a significant amount of their time to meeting with our regulators and policymakers, providing opportunities for us to hear firsthand about their priorities and to keep them informed about developments in our businesses. In addition, our businesses and control functions engage with regulators – for example, through exams and continuous monitoring, regular meetings and ad hoc requests. We share regular reports with regulators on a range of matters. We also seek feedback about whether they are getting the right level, quality and frequency of information.

Customers

We use multiple channels to solicit and respond to customer feedback about our products, services and organization as a whole. Customers may communicate with us directly in our branches, via surveys, through our website and our various social media channels, and by phone or mail.

Research Analysts

We provide a wide range of information to members of the investment community, including both financial and ESG analysts and researchers, through reports, presentations, regulatory filings, conferences and publications on our website, as well as by responding to surveys and specific information requests. We also engage with analysts and researchers through calls and meetings.

Communities

In the U.S., where we have a retail banking presence, we have Community Advisory Boards (CABs) in our major markets. The CABs provide a forum for communication between our Firm and community stakeholders, including leaders from nonprofit organizations. CAB members help identify community development needs and have the opportunity to discuss questions and concerns directly with JPMorgan Chase executives.

Nongovernmental Organizations

We engage with nongovernmental organizations (NGOs) on issues that are important to communities, consumers and our business. For example, through the Chase Advisory Panel program, senior executives engage with national consumer policy groups to discuss issues related to the Firm's products, policies, customer-facing practices and communications and public policy issues. We also engage with NGOs on environmental and social topics, and have philanthropic relationships with a broad range of NGOs that work on issues that are important to our Firm.

Additional Online Resources



Our ESG Information website portal provides links to numerous JPMorgan Chase publications, documents, policies, website pages and other sources of information about various ESG topics, including:

- ▶ [Annual Report](#)
- ▶ [Business Principles](#)
- ▶ [Code of Conduct](#)
- ▶ [Code of Ethics for Financial Professionals](#)
- ▶ [Corporate Governance Principles](#)
- ▶ [Corporate Responsibility Report](#)
- ▶ [Diversity and Inclusion](#)
- ▶ [Environmental and Social Policy Framework](#)
- ▶ [Global Reporting Initiative \(GRI\) Index](#)
- ▶ [How We Do Business – The Report](#)
- ▶ [Human Rights Statement](#)
- ▶ [Political Engagement and Public Policy](#)
- ▶ [Proxy Statement](#)
- ▶ [Supplier Information](#)
- ▶ [U.K. Modern Slavery Act Group Statement](#)

For additional information, please visit
www.jpmorganchase.com/ESG.

Promoting Sound Governance

We are building upon our Firm's over 200-year foundation by continually enhancing the structures, processes and controls in place that support and promote accountability, transparency and ethical behavior. We remain steadfast in our commitment to create and reinforce a strong and healthy culture in which all employees feel respected and empowered to do what is right for our clients, communities and shareholders. Our Board of Directors and senior management take seriously their responsibility to set the tone at the top and to provide effective leadership and rigorous oversight.

Leadership & Governance

Sound governance and effective management are integral to our business. Our senior management team develops the company's strategic direction and oversees its execution, while the Board of Directors is charged with providing oversight of management's performance. Equally important, the senior management team and the Board communicate and reinforce the company's commitment to doing business in accordance with our corporate standards and Business Principles.

Board of Directors

A deeply engaged, experienced Board is vital to our company's success. Our Directors are a diverse group who bring a strong combination of executive experience and skills aligned with our business and strategy. Other than our CEO, all of our Directors are independent, under the standards established by the New York Stock Exchange and the Firm's independence standards. We have a Lead Independent Director who is appointed annually by the independent directors and facilitates independent Board oversight of management.

The Firm's Corporate Governance Principles and the charters of the Board's five principal standing committees establish a framework for the governance of the Board and the management of the Firm. Our annual Proxy Statement includes information about the membership and responsibilities of these committees. Among their responsibilities, the committees oversee a range of matters pertaining to ESG topics, in accordance with the scope of their charters. For example, the Public Responsibility Committee provides oversight of the Firm's positions and practices on matters such as community investment, fair lending, sustainability, consumer practices and other issues that reflect the Firm's values and impact its reputation. The Compensation & Management Development Committee reviews and approves the Firm's compensation and benefit programs, including the avoidance of practices that would encourage excessive or unnecessary risk-taking and related cultural issues.

The Corporate Governance & Nominating Committee provides oversight of the governance of the Board of Directors, including the evaluation and recommendation of director candidates. JPMorgan Chase seeks director candidates who uphold the highest standards, are committed to the Firm's values and are strong, independent stewards of shareholders' long-term interests. In addition to considering candidates who have the combined professional skills, experience, personal qualities, balance of tenure and collegiality needed for an effective and engaged Board, the Board looks for individuals who will contribute diverse viewpoints and perspectives to enhance its independent oversight.

Management

We manage our Firm on a line-of-business basis, while also maintaining strong corporate functions and appropriate governance of our subsidiaries. This structure is designed so that the leadership of our company as a whole, as well as within each of our businesses, is effective, consistent with our corporate standards and promotes a strong corporate culture. The management structure of each line of business mirrors that of the Firm as a whole. Each is led by a CEO and has a Chief Financial Officer, Chief Risk Officer, Chief Compliance Officer, Chief Control Officer, General Counsel, Human Resources Executive and Chief Auditor.

The Firm's senior management body is the Operating Committee, which is responsible for the overall management of the company, including developing and implementing corporate strategy and managing operations. As of May 2019, women represent 50% of the Operating Committee.

Executive Compensation

The long-term success of our Firm depends in large measure on the talents of our employees and alignment of their compensation with performance and sustained shareholder value. Our well-established compensation philosophy is designed to promote an equitable and well-governed approach, which includes pay-for-performance practices that attract and retain top talent, are responsive to and aligned with shareholders' interests and encourage a shared success culture in support of our Business Principles.

The Compensation & Management Development Committee (CMDC) of the Board maintains independent oversight of our compensation programs, including executive compensation. In determining individual compensation for Operating Committee members, the CMDC uses a balanced and discretionary approach to assess performance against each individual's goals associated with four broad categories: (i) Business Results; (ii) Risk, Controls & Conduct, including feedback received from the Firm's risk and control professionals; (iii) Client/Customer/Stakeholder Focus, including our engagement in communities; and (iv) Teamwork & Leadership, including creating a diverse and inclusive environment that encourages employees to speak up. These performance categories consider short-, medium- and long-term goals that drive sustained shareholder value, while accounting for risk, controls and conduct objectives.

Our compensation program is designed to incentivize long-term, sustainable decision-making and to hold individuals accountable, when appropriate, for meaningful actions or issues that negatively impact business performance or the Firm's reputation. We maintain policies and procedures that enable us to take prompt and proportionate actions with respect to accountable individuals, including: (i) reduction of annual incentive compensation; (ii) cancellation of unvested awards; (iii) clawback of previously paid compensation; and (iv) other employment-related actions, including termination of employment.

We regularly review our compensation program and actively seek out and consider shareholder feedback in making potential changes. In 2018, shareholders demonstrated strong support for our program with a 93% vote in favor of our annual resolution to approve executive compensation. Our Proxy Statement contains a Compensation Discussion and Analysis section that includes further details of our executive pay program.

Our Corporate Culture

In 2018, we continued to strengthen and reinforce our culture, with a focus on fostering an environment where all employees adhere to the highest ethical standards and uphold our Business Principles (p. 31) in all of their engagements. Our efforts have been informed by ongoing employee engagement and are aimed at fostering personal accountability among employees. We reinforce these expectations through various communication channels and by encouraging our senior leaders to communicate clearly and frequently with employees.

The Firm endeavors to promote a culture of respect that allows every employee to feel safe and empowered at work. This includes having in place employee training and protocols for preventing, reporting and addressing behavior that is not in line with our Business Principles and standards, including sexual, discriminatory or other misconduct. The Firm prohibits retaliation against any individual who reports a concern or assists with an inquiry or investigation.

At the Board level, the CMDC provides oversight of the governance framework of our firmwide culture, including reviewing updates from management regarding significant conduct issues. In addition, the full Board is briefed annually on culture- and conduct-related matters.

Anti-Money Laundering

Compliance with the laws and regulations governing anti-money laundering (AML) and terrorist financing, economic sanctions and anti-corruption efforts is an important focus of our control agenda. We are firmly committed to participating in international efforts to combat money laundering and the funding of terrorist activities.

Our Firm has made a number of enhancements in recent years to our Know Your Customer (KYC) and AML processes, including implementing a risk-based global AML Compliance Program reasonably designed to comply with all applicable laws and regulations relating to the prevention of money laundering and terrorist financing in the jurisdictions where the Firm operates.

Conduct Risk Management

Conduct risk is the risk that any action or inaction by an employee or employees could lead to unfair client or customer outcomes, impact the integrity of the markets in which the Firm operates or compromise the Firm's reputation. Oversight of conduct risk is shared by multiple Board committees and each line of business and corporate function is accountable for identifying and managing its conduct risk.

With the Business Principles serving as a guide for how employees are expected to conduct themselves, the Firm's Code of Conduct (Code) sets forth the Firm's expectations for each employee. In 2018, the Code was updated to align with the Firm's Equal Opportunity, Anti-discrimination and Anti-harassment Policy and clarifies the Firm's commitment to maintaining a safe, productive, diverse, professional, collegial and secure work environment in which all individuals are treated with humanity, respect and dignity. All employees are required to complete Code training and annually reaffirm their compliance with the Code. Each member of the Board also annually affirms his or her compliance with the Code.

The Firm's Conduct Risk Governance Policy governs the Firm's Conduct Risk Program and establishes the framework for ownership, assessment, management and escalation of conduct risk within the Firm. In 2018, a senior management Conduct Risk Steering Committee (CRSC) was formed. It provides holistic oversight of conduct-related initiatives and risks across the Firm and identifies opportunities and emerging areas of focus. The CRSC may escalate systemic conduct risk issues to the Firmwide Risk Committee, when appropriate.

We continue to engage our regulators around the globe to seek their input and feedback on culture- and conduct-related matters, and we benchmark across the industry to inform ourselves about evolving best practices in this important area.

Our Control Environment

Our control agenda is always a top priority for our Firm and we devote significant resources to adhering and adapting to the substantial number of regulatory expectations and reporting requirements that guide our industry. Our objective is to satisfy the letter and spirit of the law and we underscore that effective controls are an integral part of our day-to-day business practices. We have a culture and infrastructure that emphasize compliance and issue escalation and remediation, as well as effective checks and balances designed to prevent issues and address those identified before they become problems. We regularly engage regulators in constructive dialogue as we develop appropriate remediation plans.

Our Firm continuously seeks ways to enhance governance and oversight of our control environment across the company and to simplify and appropriately mitigate risk in our operations. We dedicate significant financial and human resources to managing and conducting these efforts. Since 2011, our control headcount – which includes compliance, risk, control management, audit and other functions – has grown from 24,000 to around 50,000 people.

Our control environment, which is supported by other functions, including Finance, Human Resources and Legal, is structured as follows:

Lines of Business

The lines of business are each responsible for identifying and addressing the risks presented by their respective businesses and operating within a sound control environment. The Control Management function, which consists of dedicated control managers within each of the lines of business and corporate functions, provides dedicated support to business leaders. Control managers, jointly accountable with business executives, are charged with enhancing the Firm's control environment by promoting early operational risk identification and assessment, effectively designing and evaluating controls and developing solutions to mitigate risk. This structure is designed to enable the Firm to detect control problems quickly, escalate issues promptly and engage other stakeholders to understand common themes and interdependencies among the various parts of the Firm.

Independent Risk Management

The Independent Risk Management function, which consists of the Risk Management and Compliance organizations, sets and oversees the risk management structure for the Firm, including the definition of policies and standards. These organizations operate independently from the lines of business, which enables them to challenge the business as appropriate.

Internal Audit

Internal Audit, a function independent of the lines of business and Risk Management and Compliance, tests and evaluates the Firm's risk governance and management, as well as its internal control processes. This function brings a systematic and disciplined approach to evaluating and improving the effectiveness of the Firm's governance, risk management and internal control processes.

Additional detail about our efforts to strengthen our control environment and our approach to controls, risk management and compliance is available in our Annual Report.

Political Engagement & Public Policy

JPMorgan Chase believes that responsible corporate citizenship demands a strong commitment to a healthy and informed democracy through civic and community involvement. Our business is subject to extensive laws and regulations, and changes to such laws can significantly affect how we operate, our revenues and the costs we incur. Because of the potential impact public policy can have on our businesses, employees, communities and customers, we engage with policymakers on a range of issues, including banking, financial services, cybersecurity workforce development, small business, tax reform, veterans and trade, among others, in order to advance and protect the long-term interests of the Firm.

The Firm belongs to a number of trade associations that advocate on major public policy issues of importance to the Firm and the communities we serve. The Firm's participation as a member of these associations comes with the understanding that we may not always agree with all the positions of an association or its other members, and that we are committed to voicing our concerns as appropriate. The Public Responsibility Committee provides oversight of our positions and practices on public responsibility matters, including significant policies and practices regarding political contributions, major lobbying priorities and principal trade association memberships.

Finally, we aim to operate with high standards of public transparency in political spending. Our efforts have been recognized by the 2018 CPA-Zicklin Index of Corporate Political Disclosure and Accountability, which credited us as a Trendsetter in its 2018 report. In addition, in early 2019 we made enhancements to our disclosures, which are available on our website.

Cybersecurity

Cybersecurity has become one of the most critical issues facing the world today, and our Firm is working relentlessly to address it. We devote significant resources to protecting and continuing to improve the security of our computer systems, software, networks and other assets.

We work in close partnerships with government and law enforcement agencies and other businesses to understand the full spectrum of cybersecurity risks, enhance our defenses and improve resiliency against threats. We have dedicated cybersecurity professionals working across the globe who continuously monitor our systems 24 hours a day, seven days a week. All of our employees receive annual Cybersecurity Awareness education and are expected to be vigilant to cyber risks at all times.

We also continue to take a leadership role on cybersecurity within our industry. For example, JPMorgan Chase was one of the institutions that drove the development of Sheltered Harbor, an industry-led set of standards and processes to increase the resilience of the retail financial sector in the event of a destructive or disruptive cyberattack. Almost 60 firms are participating in the voluntary program, representing nearly 70% of U.S. retail deposit accounts and 55% of U.S. brokerage client assets.

JPMorgan Chase was also part of a consortium of financial services firms that created the Financial Systemic Analysis and Risk Center (FSARC), which aims to identify and address cyber threats that pose systemic risk to the financial system. FSARC is designed to enable operational collaboration, in which industry participants and government agencies utilize their individual capabilities, resources and authorities to collaboratively identify, analyze and mitigate systemic cyber risks.

Additional Online Resources



- ▶ [Annual Report](#)
- ▶ [Board Committees](#)
- ▶ [Business Principles](#)
- ▶ [Code of Conduct](#)
- ▶ [Code of Ethics for Financial Professionals](#)
- ▶ [Corporate Governance Principles](#)
- ▶ [Corporate Responsibility Report](#)
- ▶ [Diversity and Inclusion](#)
- ▶ [Environmental and Social Policy Framework](#)
- ▶ [How We Do Business – The Report](#)
- ▶ [Human Rights Statement](#)
- ▶ [Political Engagement and Public Policy](#)
- ▶ [Proxy Statement](#)
- ▶ [Suppliers Information](#)
- ▶ [U.K. Modern Slavery Act Group Statement](#)

For additional information, please visit
www.jpmorganchase.com/ESG.

Serving Our Customers

Our customers and clients entrust our Firm with their financial well-being, and we consider it our highest responsibility to provide exceptional service in everything we do. Through our four lines of business, we serve millions of consumers and small businesses in the U.S., as well as corporations, local and national governments, investors, nonprofit organizations and a range of other institutions around the world.

Who We Serve:

- ▶ 62 million households
- ▶ 4 million small business customers
- ▶ 49 million active digital users, including 33 million active mobile users

2018 – At a Glance:

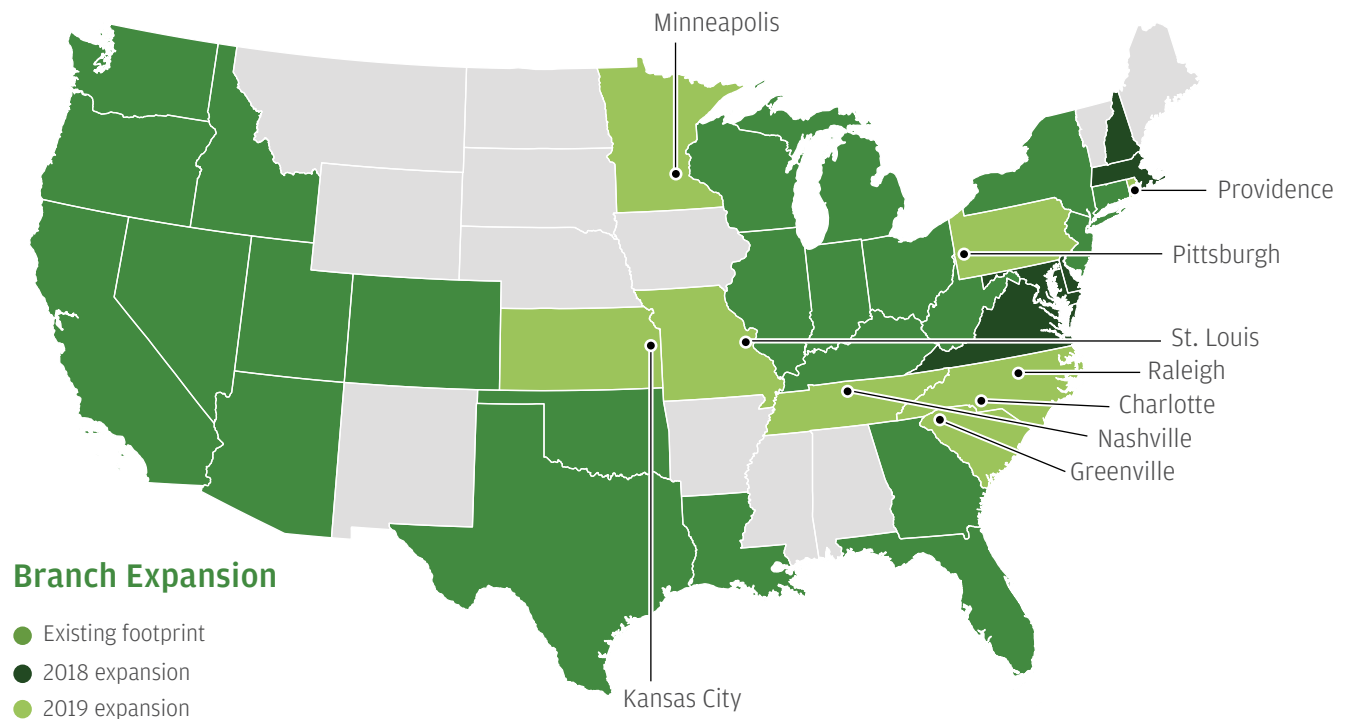
- ▶ Originated \$79 billion in mortgages
- ▶ Opened 7.8 million credit card accounts
- ▶ Received 29% of all check deposits through mobile phones
- ▶ Processed an average of \$2.7 billion in credit and debit payments every day
- ▶ Processed over \$1.3 trillion for merchants

This section focuses principally on our Consumer & Community Banking business, which serves consumers and small businesses across the U.S. under the Chase brand. Our business helps our customers manage their money, purchase homes and vehicles, save and invest for the future, start and grow their businesses and achieve their other financial goals. In 2018, two key areas of focus included:

- ▶ Continuing to develop innovative products and services to enable our customers to bank however they choose – from their mobile phone, on their computer, at an ATM or a Chase branch; and
- ▶ Expanding the financial advice and solutions that all consumers need to make the most of their money.

Our efforts are paying off. In 2018, we led the nation in deposit growth for the sixth consecutive year. Our average U.S. deposits – from both consumers and businesses – grew by over 5% in 2018. And the J.D. Power 2018 U.S. National Banking Satisfaction StudySM ranked Chase No. 1, up from second place the year before.

In 2018, we opened the first 10 of the 400 new Chase branches we are planning in new markets across the U.S. as part of a nationwide market expansion effort that will help us enhance how we serve our customers and communities (see p. 22).



Helping Customers Make the Most of Their Money

Serving about half of all U.S. households, we embrace our responsibility to create affordable, innovative products and services that help our customers manage their daily finances, withstand emergencies and meet their long-term financial goals.

For example, we help consumers track and manage their credit scores with Credit JourneySM, which allows users to not only check their credit score at any time and get alerts about changes, but also to learn what affects their score and find advice on how to improve it.

We have also launched a variety of products to make it easier for our customers to save and to invest for the future – key foundations of financial health. In 2018, we introduced You InvestSM, a digital investment platform that empowers all types of investors to build on their savings and grow their wealth. In early 2019, we rolled out an Autosave feature that lets customers set up automatic transfers to their savings accounts and monitor progress through a savings dashboard.

Supporting Small Businesses

When small businesses succeed, our communities thrive. In early 2018, we announced plans to increase our small business lending by nearly \$4 billion over three years, further expanding our leadership in small business banking. During 2018, we originated over 910,000 small business loans for a total of \$15.5 billion in the states where we have a branch presence, an increase of over 45% from the year before.

We have a number of efforts aimed at supporting women, minority, veteran and other underserved entrepreneurs. A key goal of our new Women on the Move global initiative is to help women start and grow businesses (see p. 18). Over the next three years, we expect to lend \$10 billion to women-owned businesses.

We are also investing philanthropic capital to unleash the power of small business as a driver of opportunity. In 2018, we expanded our commitment to Small Business Forward, our initiative supporting underserved entrepreneurs, pledging \$150 million over five years to help women-, minority- and veteran-owned small businesses get the capital and the technical assistance they need to expand (see p. 24).

Engaging with Customers

We regularly engage with our customers, consumer groups and other stakeholders with a goal of developing products, services and policies that are responsive to their needs and address the issues that matter most to them. We have established forums at local, regional and national levels through which stakeholders can share their perspectives with us, both formally and informally.

Community Advisory Boards, which we have in our major U.S. retail markets, are one of the key forums through which local and regional nonprofit leaders and community partners can share their perspectives on community development needs, public policy and regulatory issues with Chase executives. Similarly, Chase Advisory Panels provide a forum for national consumer policy groups to engage the Firm's senior executives on retail-related policies, products and communications. In addition, we conduct hundreds of meetings annually with community-based organizations.

We also solicit customers' direct feedback on their experiences and needs through a range of channels, including in person at our branches, through our website and via social media and customer satisfaction surveys. In addition, we collect customer feedback through external media and ratings agencies. We take this feedback seriously and use it to further improve our approach and offerings.

Being There When Our Customers Need Us

Immediately after the U.S. government shutdown began in late 2018, we reached out to affected customers to offer help, and we proactively refunded checking account overdraft and service fees. We activated a dedicated customer care line with a team of specialists that extended payments on affected customers' car loans, provided 90-day relief on their mortgages and removed minimum payments on their credit cards, limiting the impact on their credit reports. By the time paychecks resumed, we had helped more than 40,000 customers.

In addition, the Firm gave \$1 million to Feeding America and United Way – and also matched employee donations to these organizations – to provide meals, financial services, counseling and other assistance to federal workers and their families. In addition, we collected food and household items in 44 U.S. markets to support the increased demand on food banks.

Treating Customers Fairly

We know that the foundation of our relationships with our customers must be trust, fairness and transparency. We build this by having policies and procedures aimed at simplifying our disclosures, products and services and operations, aligning our sales practices with our customers' interests and taking rigorous measures to safeguard the privacy of customers' information.

Fair & Transparent Marketing

We strive to empower our customers to make informed choices about their finances and banking options by providing clear, concise and transparent information about all of our products and services. For example, a firmwide effort is underway to simplify and standardize our disclosures, helping customers feel confident in their decision to bank with us.

Aligning Employees' Incentives with Customers' Interests

Our bankers' job is to provide our customers with the right products and services to meet their financial needs, and we train, assess and reward our employees accordingly. Every year, we train our bankers on our customer-centered policies, procedures and controls, and we evaluate their performance on these metrics, as well as on revenue and profitability.

We reward bankers for providing customers with a positive overall experience and products and services they need and use. We also review our sales practices, including culture, incentive plans, controls assessments and feedback received from customers and employees through various channels, including our employee Code Reporting Hotline. By merging all of this feedback, we help safeguard our reputation and align employee performance with the best interests of our customers.

Protecting the Elderly & Vulnerable from Financial Abuse

As demographics shift in the U.S., we are working to increase awareness about potential financial abuse affecting the aging population. For example, to better protect our customers, we apply data analytics and have enhanced frontline, job-specific employee training in an effort to better prevent, detect and respond to financial exploitation. We are also working with nonprofit organizations, advocacy groups, regulators and the industry to explore strategies and best practices for combating exploitation of older and vulnerable customers.

Safeguarding Customer Privacy & Data Security

Our customers rely on us to protect their personal and financial information, and we take this responsibility very seriously. We have internal policies and security measures to keep our customers' information safe, and we hold our suppliers and vendors to the same high standards for data security.

We protect customer information through a wide range of technological, procedural and physical security measures. Our Code of Conduct and related policies for ethical business conduct include specific guidelines about how employees should safeguard customers' confidential information. All employees receive annual training on the Code of Conduct. We strive to provide customers with clear, user-friendly explanations of our privacy policies that explain how we collect, share, use and protect their information, and outline steps they can take to limit the sharing of personal information.

We are investing in enhanced data privacy and security solutions to safeguard information shared via our increasing suite of online and mobile banking tools. For example, we are investing in machine learning and intelligent strategies to improve detection and mitigation of fraud across our products and services. This technology allows us to more accurately detect potentially fraudulent activity for our customers and approve more good transactions. In 2019, for example, we anticipate our systems will prevent nearly one million more fraudulent credit card transactions that would have previously been approved, while simultaneously approving nearly one million additional legitimate transactions that would have been incorrectly declined.

Serving Low- & Moderate-Income Customers

Our Firm works to serve all segments of our customer base well, including developing products and services specifically designed to better meet the needs of low- and moderate-income customers. In 2018, we committed to opening 400 new bank branches across the country; 30% of these will be in low- and moderate-income communities. Chase has a higher proportion of its branches and ATMs in low- and moderate-income communities than the industry overall.

Expanding Homeownership

Our Firm is focused on increasing access to affordable and sustainable homeownership for low- and moderate-income customers. In 2018, we committed to expand our mortgage lending in low- and moderate-income communities by 25% – to \$50 billion – over the next five years. During 2018, we made more than \$11 billion in mortgages in low- and moderate-income communities, putting us right on track to meet this commitment.

We continue to make more mortgages through our DreaMaker program, which allows buyers to make a down payment of as little as 3%. This is crucial for families that can afford the monthly payment but struggle to come up with a down payment. In 2018, we made 20% of our home-purchase mortgages through this program – up from 5% in 2016. DreaMaker complements the suite of affordable loans we have long offered, including Federal Housing Administration and U.S. Department of Veterans Affairs mortgages. Buyers can earn an extra \$500 grant toward a DreaMaker loan by completing a financial educational program to prepare them for homeownership.

In 2018, we also expanded our homeownership grant program – which reduces the cash that buyers need for down payment and closing costs – to more low- and moderate-income areas across the U.S. And we increased the grant to \$2,500 from \$1,500. We are pleased to report that twice as many customers received a grant in 2018 than in the year before.

We are hiring approximately 500 new Home Lending Advisors across the country to help consumers make more informed mortgage choices. We are also working with our nonprofit partners to provide workshops on budgeting, credit and other pre-purchase topics to help customers navigate the path to homeownership.

Recognizing that homeownership is not possible or desirable for some consumers, JPMorgan Chase is dedicated to helping preserve affordable rental housing for low-income communities across the country. We continue to do that by committing to lend over \$7 billion in the next five years to commercial and nonprofit housing partners to help maintain, rehabilitate and build affordable units.

Broadening Access to Banking Services

A crucial way we support low- and moderate-income communities is by creating products that provide safe, high-quality and affordable ways to access banking services. For example, in early 2019 we launched Chase Secure BankingSM, a checking account with a flat monthly fee that gives customers all the benefits of banking with Chase without check-cashing fees, minimum balances to open an account or overdraft fees. Chase Secure BankingSM builds on and replaces our low-fee Chase Liquid[®] reloadable prepaid card, adding enhancements to provide a full banking experience that we developed based on customer feedback.

We know that small businesses play an essential role in creating jobs and generating economic opportunity – especially in low- and moderate-income areas. In 2018, we made over 176,000 small business loans totaling more than \$3.4 billion in low- and moderate-income communities. That is approximately 20% of our total small business lending.

In addition, we support technology-based innovations to improve the financial lives of low- and moderate-income Americans through the Financial Solutions Lab (see p. 24), managed by the Center for Financial Services Innovation with JPMorgan Chase.

Additional Online Resources



- ▶ [Accessibility at Chase](#)
- ▶ [Annual Report](#)
- ▶ [Business Principles](#)
- ▶ [Chase Privacy Policy](#)
- ▶ [Corporate Responsibility Report](#)
- ▶ [JPMorgan Chase Financial Health](#)
- ▶ [JPMorgan Chase Institute](#)
- ▶ [JPMorgan Chase Small Business Forward](#)
- ▶ [Proxy Statement](#)

For additional information, please visit
www.jpmorganchase.com/ESG.

Investing in Our Employees

JPMorgan Chase's human capital strategy is aimed at developing and retaining the high-performing global, diverse workforce our Firm needs to be successful today and in the future. This requires attracting and retaining people with strong skills and characters that are consistent with our culture and values, fostering an inclusive work environment where people are respected, trusted and encouraged to bring their whole selves to work and providing our employees with opportunities to learn, develop and advance their careers.

To build and support a workforce that enables us to best serve our customers, clients and communities and deliver value for our shareholders, we invest in our people through all phases of the employee life cycle. This starts with how we recruit and continues through to how we support our employees' development and reward their performance throughout their careers with us. In early 2018, we announced our Firm is stepping up this investment with increases in wages and an enhancement of benefits for employees at the lower end of our pay scale (see p. 20). We are also undertaking a nationwide market expansion effort, which will include hiring 3,000 employees in new U.S. markets.

We measure the success of our investments in employees in multiple ways, including job offer acceptance rates, employee engagement and satisfaction, attrition levels and internal mobility rates, among others. We continue to be widely recognized for our workplace practices. For example, we have been the highest-rated megabank on FORTUNE's list of the World's Most Admired Companies for four years running, and we have a 100% rating on the Human Rights Campaign's Corporate Equality Index.

Who We Are: Key 2018 Statistics

Each of our employees plays an important part in delivering exceptional service to our clients and customers. We have a diverse employee base with a wide range of roles, working in over 60 countries.

- ▶ We have more than 256,000 employees worldwide, approximately two-thirds of whom are based in the U.S.
- ▶ Women represent almost 49% of our global workforce.
- ▶ As of May 2019, women represent 50% of our Operating Committee.
- ▶ Ethnically diverse employees make up 50% of our U.S. workforce.

Hiring Great People

Our success as a company depends on attracting the best people. We look for diverse talent from multiple sources, within and outside our organization. We seek to hire people who not only have the skills and expertise we need, but also share our values and are committed to acting with integrity. We hire based on merit, using objective criteria and standard processes for assessing and selecting candidates.

Building a Strong & Diverse Talent Pipeline

We believe that today's students are tomorrow's talent, so in 2018 we kicked off the first phase of an effort to transform our campus recruitment program in order to strengthen the pipeline of diverse leaders into the Firm. This includes creating a new firmwide university relations team and several new recruiting technology platforms to help us better manage relationships with and evaluate candidates. We also continue to enhance our diversity-focused campus recruiting programs by working with organizations that help us connect with diverse candidates for internships and employee recruiting.

We make diversity a priority throughout our hiring process and seek candidates from a wide range of backgrounds and experiences for positions at all levels. Alongside our campus recruiting efforts, we have a number of other programs that foster diverse hiring and advancement, including initiatives focused on ethnic minorities, people with disabilities, women, veterans and others.

Building Skills & Strengthening Communities

Our Firm actively leverages the talent of our people to maximize the impact of our philanthropic investments, while providing our employees with volunteer opportunities that help them develop skills and give back to communities. In 2018, nearly 59,000 employees volunteered more than 389,000 hours to local community organizations. And in early 2019, we implemented a new firmwide policy that provides up to eight hours of paid time off annually for volunteering and community engagement activities.

The field Service Corps, through which employees complete three-week deployments with our nonprofit partners to help them build capacity, is our signature skilled volunteerism program. Through our virtual Service Corps, employees can volunteer their skills to assist nonprofit partners remotely. In 2018, 218 employee volunteers from offices in 15 countries contributed over 18,500 hours of time working with 49 of our nonprofit partners through these two programs.

In 2018, we launched two programs to help employees engage with community organizations at the board level. Our board leadership program encourages and supports our employees to serve on nonprofit boards, helping them turn their expertise and networks into meaningful contributions to their communities. Already, through this program nearly 40 JPMorgan Chase employees have joined nonprofit boards. To amplify the impact of financial contributions employees make as members of nonprofit boards, we also introduced a financial board matching program. The matching contributions made by our Firm recognize the commitments employees make as board members. Within the first three months of the program, 271 employees contributed to the nonprofits on whose boards they serve, which resulted in the Firm matching more than \$1.3 million to those organizations. These donations are on top of the over \$11 million dollars employees donated through our year-round workplace giving program, which supports nonprofit organizations all over the world.

Best-in-Class Leadership Training

Leadership Edge is our best-in-class leadership development program, which is designed to enable leaders at all levels to grow and succeed throughout their careers. The in-person training sets clear expectations and standards for people management and further embeds our Business Principles into our culture. In 2018, we achieved a record year for participation with global attendance reaching more than 22,500 across Leadership Edge programs, and 60% of all managers have attended since its inception in 2015. During the year we also held a number of virtual leadership and learning events, which connected more than 16,000 of our managers globally.

Training & Career Development

We make substantial investments in tools and training programs to help our employees build their knowledge, skills and experience, as well as to guide their career advancement. Mirroring the digital transformation taking place within adult education and training broadly, in 2018 we introduced several online and virtual learning innovations to provide our employees around the world the opportunity to learn when and where they want. For example, we introduced the Chase Academy, which offers personalized digital learning curriculums and piloted artificial intelligence to advance our adaptive learning approach.

In 2018, we delivered nine million hours of training to employees across the globe on topics including business processes and products, leadership and professional development, risk and compliance and technology, among others. In addition to our internal training efforts, we provide tuition assistance to employees who are seeking to further build their skills.

We also support employees by facilitating career advancement and mobility within the Firm. In 2018, we filled 42% of all positions, and 54% of our most senior-level roles, with internal candidates.

A Workplace for Everyone

We are focused on being the best employer for people from all backgrounds and experiences. By creating an inclusive work environment that supports all heritages, cultures, work styles and lifestyles, we will attract and retain the best people and be positioned to meet the diverse needs of our clients and communities.

A key part of this is working to promote a culture of respect that allows every employee to feel safe and empowered at work. To this end, in 2018 we launched and enhanced a variety of programs to build awareness of unacceptable workplace behavior and harassment and to educate employees on resources available to support them. For example, we introduced an enhanced anti-harassment awareness training, which is required for all employees. We also released an updated Equal Opportunity, Anti-Discrimination and Anti-Harassment Policy and developed guidance for employees on handling uncomfortable situations. In addition, we initiated a company-wide campaign on workplace respect and how employees can speak up.

Our commitment to diversity and inclusion is embedded throughout our organization at all levels. Recognizing the important role leaders play in fostering an environment where all employees feel that they belong, can grow and contribute, we give managers training and resources to help them attract, hire, develop and retain diverse talent.

Our Business Resource Groups (BRGs) are an essential part of how we foster an inclusive work environment. These groups promote leadership and professional development and provide volunteer opportunities for members, while advancing the Firm's position in the global marketplace and diversity strategies by leveraging the unique perspectives of their members. Our Firm has ten BRGs globally, focused on ethnic communities and other groups, including Hispanic and Latino; black; Asian and Pacific Islander; military and veterans; LGBT+ employees; women; people with disabilities; early career and administrative professionals; and working families. Over 91,000 employees – or approximately 35% of our people – are members of at least one BRG.

Our commitment to advancing diversity and inclusion extends beyond our own walls. For example, in 2018 we signed a statement supporting equal rights for transgender, gender non-binary and intersex people, explicitly opposing any actions to remove legal protections for these groups. And we are regularly recognized for our firmwide commitment to promoting an inclusive environment for our employees, including receiving multiple awards for our diversity efforts.

Assessing Pay Equity

We conduct periodic pay equity reviews at all levels. In 2018, in aggregate women globally and minority employees in the U.S. were paid 99% of what men globally and non-minority employees in the U.S. were paid, taking into account factors such as an employee's role, tenure, seniority and geography. We are proud of the overall diversity of our workforce. However, we also know that women still are not represented in as many senior management positions as men. Despite the significant progress we have made, we are taking a variety of actions focused on hiring, retaining, developing and advancing women and minorities, especially at more senior levels.

Championing Women

Our Firm has long focused on the empowerment and advancement of our women employees, and today women make up nearly half of our global workforce and, as of May 2019, 50% of our Operating Committee. In 2018, we expanded our Women on the Move initiative – which we launched in 2013 to provide women at all levels of our Firm with a platform to exchange ideas and support their career development. Now, the program focuses not only on women inside our Firm but also on women clients and customers. The expanded global initiative will support women-run businesses, provide tools and education to help women increase their financial health and independence and offer resources that empower women to excel in their careers.

We also continue to support women's advancement within the Firm. For example, in 2018 our Firm signed the U.K. Women in Finance Charter and set a public target to have women in 30% of our U.K. Managing and Executive Director roles by June 2023. And we are expanding our efforts to support working parents and families (see p. 20).

Developing Black Talent

In 2019, we launched Advancing Black Pathways (ABP) to help close the gap to economic success for black business owners, families and communities. ABP combines the Firm's business and philanthropic resources to accelerate economic opportunity for black Americans by strengthening education and job training, growing careers and building wealth. As part of this program, we committed to hiring more than 4,000 black students over the next five years into apprenticeships, internships and post-graduation roles.

ABP builds on our Firm's existing efforts to help black Americans achieve economic success. This includes Advancing Black Leaders (ABL), which is our leading strategy to increase representation of black talent across all of our businesses. ABL expands the Firm's recruitment of black Americans while also promoting leadership excellence and retention. While we have more to do, we are seeing encouraging results.

Providing Opportunities to People with Disabilities

Through our global Office of Disability Inclusion (ODI), we work to drive results in four key areas – attitude, accessibility, accommodations and assimilation – to hire and retain individuals with disabilities throughout the Firm. To support this effort, in 2018 ODI instituted global Disability Inclusion Standards to provide managers with resources to help recruit, hire and advance people with disabilities. We also launched the MyAccessibility Hub accommodations team to support timely implementation of assistive technology tools for employees, while also simplifying processes for requesting and receiving technological and physical accommodations. Since its formation, the team has handled hundreds of cases in the U.S. alone.

The Office's work is delivering results. In 2018, the Firm hired people with disabilities in every region and in every line of business, including individuals on the autism spectrum. We were recognized by Disability:IN – a leading nonprofit resource for business disability inclusion – as Employer of the Year.

Hiring & Supporting Veterans

JPMorgan Chase has hired more than 14,000 U.S. veterans since 2011 – including over 1,200 in 2018 alone – with more than 50% coming from self-identified diverse backgrounds. We offer internship and rotational entry programs to support the transition of military personnel and veterans into the financial services industry. Once at the Firm, our Office of Military and Veterans Affairs supports our veteran employees through mentorship programs, acclimation and development initiatives, recognition events and other programs to help bridge the gap between military and corporate cultures. Additionally, we offer paid military leave for all types of military service.

Supporting Our Employees

We take a whole-person approach to supporting employees, including providing competitive compensation and comprehensive benefits, health and wellness programs and policies and programs for working parents.

Employee Compensation & Benefits

Providing competitive benefits and compensation is a key component of our talent development strategy and it is important for attracting and retaining the best employees. Key elements of our compensation philosophy include:

- ▶ Providing competitive compensation opportunities to employees based on their roles and responsibilities, experience, performance and other factors
- ▶ Tying pay to performance and evaluating performance at the Firm, business unit and individual levels
- ▶ Promoting a culture of shared success
- ▶ Rewarding behaviors that generate sustained value for the Firm and reinforcing personal accountability
- ▶ Encouraging employees to think and act like owners

We have governance mechanisms, systems and controls in place that are intended to provide our employees equitable pay for the work that they do, regardless of who they are.

In an effort to attract and retain great people, for the second time in the past two years we announced a pay increase for employees at the lower end of our pay scale. We increased wages by 10% on average – ranging from between \$15 and \$18/hour – for overtime-eligible employees in the U.S. This is the right thing to do and puts us well above the average hourly wage for most markets in which we do business.

Alongside compensation, we offer comprehensive benefits packages for our employees and their families, including healthcare coverage, retirement benefits, life and disability insurance, on-site health and wellness centers, employee assistance programs, competitive vacation and leave policies, backup child care arrangements, tuition reimbursement programs and more. In 2018, we took steps to improve access to healthcare for our employees and to help tackle the enormous affordability challenges in the U.S. healthcare system. For employees making less than \$60,000 a year, we lowered our medical plan deductible by \$750. The value of the Firm's full benefits package, including healthcare, retirement, and other benefits, averages \$12,000 for employees in this pay range.

Supporting Working Parents

To better support our employees, we continue to expand support for working parents. Globally, we offer parental and adoption leave programs with a minimum of 16 weeks of fully paid parental leave for employees who are primary caregivers. In early 2019, we increased the amount of paid leave we provide to nonprimary caregivers to a minimum of six weeks, up from two weeks.

We have flexible work options to support parents and others who need alternative work schedules, and we provide backup child care, a return-to-work program and other assistance to working parents. In 2018, we also expanded our parent-to-parent mentoring program to 24 countries; over 14,000 employees have participated in educational and networking events since the program launched in 2016.

Encouraging Health & Wellness

In addition to healthcare and insurance plans for employees, their spouses or domestic partners, we offer a comprehensive wellness program focused on personal and financial health and work-life balance.

For example, we offer on-site health and wellness centers and health assessments to help our employees identify potential or existing health risks. In 2018, 80% of enrolled employees and 64% of spouses/domestic partners completed both a wellness assessment and screening. As an incentive to participate in these wellness activities, in 2018 we contributed approximately \$100 million into the Medical Reimbursement Accounts of employees and their spouses/domestic partners.

In 2018, we continued our focus on mental health, expanding our programs to raise awareness and reduce stigmas of mental illness and provide relevant support to employees. We launched a video and web campaign to give employees a forum for discussing how they are dealing with – and overcoming – mental health issues and to educate employees about mental illness and addiction. We also piloted Mental Health First Aid, a six-hour training program for managers and human resources professionals to help them identify, understand and respond to colleagues who may be experiencing mental health and addiction challenges.

Additional Online Resources



- ▶ [Annual Proxy](#)
- ▶ [Awards and Recognition](#)
- ▶ [Business Principles](#)
- ▶ [Careers at JPMorgan Chase](#)
- ▶ [Compensation & Management Development Committee](#)
- ▶ [Diversity and Inclusion](#)
- ▶ [How We Do Business – The Report](#)

For additional information, please visit www.jpmorganchase.com/ESG.

Supporting Our Communities

JPMorgan Chase believes that companies must help solve today’s biggest challenges and create economic opportunity for more people. To do so, they must invest in communities the same way they invest in their own businesses. As announced in early 2018, our Firm has committed \$1.75 billion by 2023 to drive inclusive growth in communities around the world. We call this generating ‘Return on Community,’ and it is one of our core objectives because we know that the future of our company depends on the well-being of the places where our employees and customers live and work.

Our Firm’s model for impact focuses on four strategic drivers of inclusive growth, and it reflects what we believe are the essential ingredients for creating a lasting impact in our communities. We are putting this model into action through significant, long-term and data-driven investments that leverage our Firm’s expertise, capital, data, technology and global presence.



Advancing Cities

Our model for impact has yielded real results, so we are doubling down on our commitment to drive inclusive growth and expanding the number of people and places we reach. *Advancing Cities* is JPMorgan Chase's \$500 million, five-year initiative to invest in solutions that bolster the world's cities and the people within them. Through this effort, launched in September 2018, we are combining our philanthropic and business capital to expand opportunity for those who are being left behind in today's economy. *Advancing Cities* will deploy investments and encourage solutions in two ways:

- ▶ **Signature Cities.** Our Firm is making comprehensive, long-term commitments in cities around the world where the conditions are right for success and in which broader, deeper investments are needed to drive inclusive growth.
- ▶ ***Advancing Cities* Challenge.** We are making commitments in up to 30 communities to support innovative, sustainable solutions that help more people benefit from a growing economy. Their ideas must offer unique ways to advance at least two of the pillars that are at the heart of our model for impact. And they must demonstrate a collaborative approach that brings together the public, private and nonprofit sectors – an approach that is essential to solving complex challenges. In April 2019, we announced the first five winning cities: Chicago, Illinois; Louisville, Kentucky; Miami, Florida; San Diego, California; and Syracuse, New York. Each of these cities is receiving \$3 million over a period of three years.

As part of *Advancing Cities*, JPMorgan Chase will deploy up to \$250 million as low-cost, long-term loan capital – bringing together our Firm's philanthropic efforts with the lending and investing expertise of our Community Development Banking business. Our experience has shown that flexible capital, which can help bridge the gap between philanthropic and market-rate capital, is a powerful tool to attract additional investment and help more people share in the rewards of a growing economy. We expect the investments we make through *Advancing Cities* to attract an additional \$1 billion in outside capital.

In December 2018, we committed \$10 million in low-cost, long-term capital to the Chicago Community Loan Fund, our first flexible capital commitment as part of *Advancing Cities*. This low-cost loan will support the development and preservation of small business and commercial corridors on Chicago's South and West sides.

Building Branches, Strengthening Communities

In parallel with an expansion of our consumer business, our Firm is increasing lending and philanthropic commitments in our communities. For example, in 2018 we announced plans to open 70 new branches in the Greater Washington region and hire 700 new employees, the first major branch expansion as part of JPMorgan Chase's \$20 billion, five-year investment in our business and local economic growth. To fuel the economy of this region, we committed \$4 billion in lending for home mortgages and small businesses and \$500 million to support affordable housing. We also doubled our investment in underserved neighborhoods across the region with a \$25 million philanthropic commitment.

One such philanthropic investment is the \$6 million we committed in 2018 to prepare Greater Washington area students for local, in-demand technology jobs. Part of our Firm's global New Skills for Youth initiative, our investment will support five school districts in Washington, D.C., Virginia and Maryland and enable them to partner with local colleges and universities to build career pathways for students that result in well-paying technology jobs.

Using Our Purchasing Power to Advance Economic Opportunity

Our Firm has a long-standing commitment to cultivating business relationships with diverse suppliers, with 2018 marking the 24th year of our Global Supplier Diversity program. Having a diverse supply chain makes our company stronger and it enables us to use our purchasing power to expand economic opportunity in our communities. In 2018, we spent \$1.3 billion with minority-owned businesses; \$613 million with woman-owned businesses; \$77 million with veteran-/service-disabled veteran-owned businesses; \$11 million with businesses owned by people with disabilities and \$30 million with businesses owned by members of the LGBT+ community.

Investing in Opportunity

Our Firm is generating Return on Community through comprehensive, multi-year commitments in cities around the world. These include:



Greater Paris

In 2018, we marked our 150th anniversary in France with a \$30 million, five-year philanthropic commitment to provide underserved residents and local entrepreneurs across Île-de-France access to greater economic opportunity. This doubles the Firm’s philanthropic commitment in the Greater Paris area and is the first new commitment as part of *AdvancingCities*.



Detroit

We developed and refined our model in Detroit, where in 2014 we made a \$150 million commitment to the city’s economic recovery. Five years into this commitment, our impacts include:

1,632	2,067	4,387	13,180	13,573
units of affordable housing were created or preserved	jobs were created or retained	small businesses received capital or technical assistance	people received services to improve their financial health	people participated in workforce programs



Chicago

We extended our model to Chicago in 2017 with a \$40 million pledge to expand access to opportunity for residents of the city’s South and West sides. One year into this commitment, our impacts include:

176	1,246	1,319	5,341	2,857
units of affordable housing were created or preserved	jobs were created or retained	small businesses received capital or technical assistance	people received services to improve their financial health	people participated in workforce programs



Greater Washington Region

In September 2017, we committed \$25 million to drive inclusive economic growth in underserved neighborhoods in Washington, D.C., Virginia and Maryland. One year into this commitment, our impacts include:

590	312	722
units of affordable housing were created or preserved	jobs were created or retained	small businesses received capital or technical assistance

Pillars of Inclusive Growth

Our model for impact focuses on key pillars of opportunity where we can leverage our core business expertise. While we are enormously gratified by the model's success, we are constantly looking for ways to deepen our impact. One way we are doing this is by more extensively and deliberately tapping into our employees' skills to support our efforts to drive inclusive growth. In 2018, nearly 59,000 of our employees volunteered more than 389,000 hours (see p. 17). Other highlights of our work in 2018 include:

Jobs & Skills

Through New Skills at Work, we are supporting efforts to equip adults and youth with the skills needed to get on a solid career path, while strengthening the talent pipeline employers need to grow and compete. Over the past five years, our Firm has helped nearly 150,000 people by partnering with about 740 nonprofits, committing \$250 million in job training and career education initiatives in 37 countries, as well as 30 U.S. states and Washington, D.C., to support skill building so that people can gain well-paying jobs in growing industries. In early 2019, we announced the next chapter of New Skills at Work with a new five-year, \$350 million investment focused on building the workforce of the future.

Small Business Expansion

A key component to our strategy for breaking down barriers for minority, women and veteran entrepreneurs is seeding and scaling high-impact models that expand access to flexible capital. Building on the success of Detroit's Entrepreneurs of Color Fund – which our Firm helped launch in 2015 to provide minority-owned small businesses with access to capital and technical assistance – we expanded this model to Chicago, the South Bronx and the Bay Area in 2018. Through year-end, JPMorgan Chase has committed \$13.6 million to the Entrepreneurs of Color Fund, resulting in 210 loans totaling \$9.5 million that created or retained 1,200 jobs. In early 2019, we further expanded the Entrepreneurs of Color Fund to the Greater Washington region.

Neighborhood Revitalization

Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods) is our Firm's initiative to support innovative approaches that promote thriving, opportunity-rich neighborhoods. In 2018, we hosted our fifth PRO Neighborhoods competition and, over the course of those five competitions, we awarded a total of over \$98 million to more than 70 Community Development Financial Institutions across the U.S. Our \$68 million commitment to the winners of the first three competitions raised an additional \$713 million in outside capital, issued over 21,000 loans to low- and moderate-income customers and created or preserved over 3,000 affordable housing units and 11,000 quality jobs.

Financial Health

The Financial Solutions Lab (FinLab), supported by JPMorgan Chase, hosts an annual competition to identify, test and bring to scale promising innovations that address the financial needs of low- and moderate-income Americans. The FinLab announced eight financial services innovators as winners of its 2018 challenge. To date, FinLab has supported more than 30 innovative financial technology companies that have raised over \$500 million in capital since joining the program, saving U.S. residents over \$1 billion. In 2018, we helped launch the Financial Inclusion Lab in India, applying insights from the Lab in the U.S. to bring to scale early-stage fintech startups in India that are focused on helping India's underserved communities.

Additional Online Resources



- ▶ [Annual Report](#)
- ▶ [Corporate Responsibility](#)
- ▶ [Corporate Responsibility Report](#)
- ▶ [JPMorgan Chase Institute](#)

For additional information, please visit
www.jpmorganchase.com/ESG.

Advancing Sustainability

JPMorgan Chase leverages its core expertise in the financial markets to promote sustainable business practices and help our clients raise the capital they need to invest in projects and initiatives that achieve positive environmental and social outcomes. Our Firm has operations around the world and works with clients in nearly every sector of the economy – including corporations, development finance institutions, governments and investors. This breadth of coverage provides us with insight into the opportunities and risks that the transition to a lower-carbon, more sustainable future presents for our clients and our Firm. Across our business, we aim to put this expertise to work every day to help advance sustainable solutions.

We also promote sustainability within our physical operations, including energy efficiency in our buildings, branches and data centers, and we are working toward our goal to source renewable energy for 100% of our global power needs.

Our Firmwide Sustainability Strategy



Business Opportunities

Advancing financing opportunities and investment strategies, with a commitment to facilitate \$200 billion in clean financing by 2025



Operational Sustainability

Managing our buildings and branches sustainably, with a goal of using 100% renewable energy by 2020



Risk Management

Managing environmental and social risks associated with our financing activities



Policy Engagement & Market Development

Partnering with stakeholders to advance best practices and new opportunities



Employee Engagement

Leveraging the skills and passion of our employees to advance sustainability in our business and communities



Transparency & Reporting

Reporting on our approach to and performance on ESG matters

Business Opportunities

We leverage the resources and the expertise of our bankers, risk managers, industry experts and others to help our clients achieve their sustainability and financial objectives.

Corporate & Investment Bank and Commercial Banking

One of the key ways we help our clients achieve their sustainability efforts is through our financing activities. As of year-end 2018, JPMorgan Chase had facilitated more than \$100 billion in clean financing, meaning we are more than halfway to our goal of facilitating \$200 billion in clean financing through 2025.

This financing activity is principally led by our Corporate & Investment Bank (CIB) and Commercial Banking (CB) businesses, which collectively provide strategic advice, raise capital, extend loans and offer risk management solutions for large- and medium-sized corporations, governments and institutions. This includes:

- ▶ **Underwriting debt with a sustainable use of proceeds.** In 2018, JPMorgan Chase underwrote \$10.6 billion in green bonds and bonds with a sustainable use of proceeds. For example, we served as joint-bookrunner for €1.25 billion in green bonds raised by the Enel Group, which used the proceeds to finance projects such as the development and construction of renewable energy generation plants.
- ▶ **Financing and risk management.** JPMorgan Chase provides financing and risk management solutions to support clients' renewable energy projects and to facilitate new energy, technology, transportation, waste management and water treatment innovations. For example, since 2003, JPMorgan Chase has committed or arranged over \$21 billion in tax equity financing for wind, solar and geothermal energy projects in the U.S., including \$3.2 billion in JPMorgan Chase investments in 2018.

In 2018, we combined our Firm's focus on sustainability with our commitment to create affordable housing by financing two multi-unit residential developments in New York through our Community Development Banking group. In the City of Kingston, New York, we provided a construction loan for a 57-unit affordable housing building that will use on-site geothermal and solar power to have "net zero" energy demand, meaning the development will generate enough energy on-site to cover at least its own energy needs. In Brooklyn, New York, we partnered with RiseBoro Community Partnership on the financing of a 67-unit affordable housing building that will include community service space and be built to the highly energy efficient "passive house" standard. Both developments set aside units for homeless families.

- ▶ **Providing advisory services.** JPMorgan Chase advises clients on strategic transactions and capital raising, including those that relate to sustainable business opportunities. In 2018, the Firm participated as a bookrunner in the over \$1 billion initial public offering of NIO, which was the largest electric vehicle company initial public offering in history.
- ▶ **Advancing sustainability through research.** The Firm leverages its research capabilities to advance sustainability and ESG investment strategies. In 2018, we launched J.P. Morgan ESG ("JESG"), the first-ever emerging market bond indices that integrate ESG factors into a composite benchmark. We also introduced ESGQ, a quantitative tool to help investors pick stocks that prioritize ESG factors and outperform the broader index. The results have been promising: Since its inception in 2018, ESGQ has provided better annualized returns than the MSCI Europe and the MSCI European Leaders indices. We also published research reports on sustainable investing topics, including "ESG Investing Goes Mainstream" and "Investing in Gender Balance," which analyze the investment implications and opportunities from the burgeoning responsible investment market.

Progress toward Our Sustainability Commitments

In 2017, JPMorgan Chase announced commitments to facilitate \$200 billion in clean financing by 2025 and to source renewable energy for 100% of our global power needs by 2020. We have made progress on both of these targets:

- ▶ Facilitated over \$100 billion in clean financing by year-end 2018, putting us more than halfway toward our commitment
- ▶ Sourced renewable energy for 22% of our global power consumption by year-end 2018

Asset & Wealth Management

Our Asset & Wealth Management business, which has \$2 trillion in assets under management (AUM), helps individuals, advisors and institutions around the world invest capital to achieve their financial goals. These goals increasingly include a desire to align investments with sustainability objectives.

Our Asset Management business has a long-standing commitment to incorporating ESG factors into its investment practices and this is outlined in its Sustainable Investing Statement. Within Asset Management, the Sustainable Investment Leadership Team, a cross-functional group of senior experts, facilitates a coordinated strategy for sustainable investing across asset classes and investment offerings.

As of December 31, 2018, our Asset Management business had AUM of more than \$667 billion in ESG-integrated strategies, which we define as the explicit consideration of material ESG factors into the investment decision-making process, while not limiting the investment universe. We continue to build capabilities across other approaches to sustainable investing and to advance our clients' understanding of sustainable investing topics. In 2018, for example, our Asset Management team published a series of insights exploring climate change and resilience, renewable energy and battery storage, and ESG integration in real estate portfolios, among other topics.

Our Wealth Management business is also helping clients express their preferences for sustainable investing. In 2018, we hired a dedicated Head of Sustainable Investing for Wealth Management who will expand our sustainable investment offerings, enhancing our ability to help clients who want to pursue sustainable and impact investing within their portfolios. We also continued to share insights on sustainability topics to support our clients' interest in responsible investing, including gender lens investing, ocean health and sustainability in the fashion industry.

Across equities, fixed income, alternatives and multi-asset portfolios, Wealth Management has 56 investment strategies geared toward sustainable investing globally, with \$4.2 billion in AUM. These strategies span multiple approaches, including ESG integration, negative screening, thematic investing and impact investing. We continue to develop tools to help clients achieve their sustainable investing goals, along with new opportunities for our clients to participate in impact investing funds. For example, in 2018 we offered a new investment opportunity to Wealth Management clients through Elevar, an impact-focused venture capital firm that invests in scalable, entrepreneur-led businesses focused on underserved customers in low-income communities across India and Latin America.

Managing Risk

An important component of the Firm's risk management process is assessing our clients' approach to, and performance on, environmental and social matters. This insight helps us make more informed decisions and in certain circumstances enables us to offer our clients information and guidance on good practices when they are seeking to access capital markets, provide disclosures to investors or improve sustainability practices.

The Firm's publicly available Environmental and Social Policy Framework provides an overview of the Firm's approach to evaluating risks posed by environmental and social matters, including certain activities that we will not finance, and sectors and activities subject to environmental and social due diligence. In 2018, we expanded the application of our approach to cover Consumer and Community Banking and Asset and Wealth Management, in addition to the Corporate and Investment Bank and Commercial Banking.

Our due diligence efforts are coordinated by a dedicated environmental and social risk management group, which reports directly to the Firmwide Risk Executive for Reputation Risk. In cases where significant issues are identified, clients and transactions may be escalated to one of the Firm's Reputation Risk Committees.

In 2018, slightly more than 2,000 transactions were referred for review because a potential environmental or social risk was identified. These included transactions for credit (loans), debt underwriting, equity underwriting and advisory services. Detailed due diligence was undertaken on roughly one-third of the referred transactions.

Periodically, our environmental and social risk management group conducts portfolio-wide reviews, which take an in-depth look at policy trends, market developments and sustainability practices across a particular industry. We use the insights from these reviews to inform transaction-level due diligence and engagement with our clients. JPMorgan Chase also participates in or has adopted various internationally recognized principles that help guide our efforts on environmental and social risk management.

Operational Sustainability

As a financial institution, our direct environmental impacts stem primarily from the operation of our more than 5,500 corporate buildings, retail bank branches and data centers, 85% of which are in the U.S. Integrating sustainable practices within our physical operations is an important part of our global sustainability strategy. It also helps us strengthen the Firm's resilience and reduce costs.

2018 Sustainable Operations Progress

- ▶ Reduced greenhouse gas (GHG) emissions by over 50% since 2005
- ▶ Sourced renewable energy for 22% of our global power consumption
- ▶ Recycled more than 40,000 tons of paper globally through our secure-shred program

Advancing Sustainability in Our Supply Chain

In 2018, we took several steps to better understand potential suppliers' sustainability and ESG practices and to communicate to them our Firm's commitment to sustainability. We enhanced the sustainability and ESG-related questions that we include in our standard Request For Proposals (RFP) template, a central tool our Firm uses to evaluate and choose all our suppliers. And within our Corporate and Investment Bank we developed our first-ever ESG-specific questionnaire, which will be used to further our understanding of the Firm's financial markets infrastructure and agent bank network.

Reducing Our Carbon Footprint

We are continuing to make progress toward our commitment to source renewable energy for 100% of our global power needs by 2020, building on our long-standing efforts to reduce our carbon footprint. We are undertaking a range of actions to drive progress, including:

- ▶ **Installing on-site renewable energy** at retail branches and commercial buildings globally;
- ▶ **Executing Power Purchase Agreements (PPAs)** to support the development of new renewable energy projects on grids from which we purchase energy;
- ▶ **Reducing energy consumption** by implementing energy efficient lighting and other technologies; and
- ▶ **Purchasing Renewable Energy Credits (REC) and Verified Emission Reduction (VER) credits** to green our electricity supply and offset emissions from employee air travel, respectively.

As of year-end 2018, we have sourced renewable energy for 22% of our global energy use. Our other key milestones achieved during the year include:

- ▶ Secured over 10% of our total firmwide power and over 15% of our electricity needs in India through PPAs that supported the development of wind and solar farms;
- ▶ Installed 2,570 U.S.-manufactured solar panels at 23 Chase branches in California and New Jersey, which will power over 30% of the energy consumed on-site; additional installations are underway at 250 branches in Arizona, Michigan and Nevada, and at commercial buildings in Arizona, Delaware, Florida, Ohio and Texas;
- ▶ Continued work to retrofit all Chase-owned branches with LED lighting, with more than 700 facilities completed in 2018. This initiative will result in a 50% reduction of lighting energy consumption;
- ▶ Installed energy efficient Building Management Systems at 900 Chase branches;
- ▶ Offset 100% of emissions from employee air travel through the purchase of VER credits; and
- ▶ Named an ENERGY STAR® Partner of the Year, recognized by the U.S. Environmental Protection Agency and the U.S. Department of Energy.

Policy Engagement & Market Development

JPMorgan Chase collaborates with a broad range of organizations and participates in initiatives focused on advancing sustainability within our industry and across the corporate sector broadly. Through these engagements, we share our expertise on issues at the nexus of finance and sustainability, while learning from other companies and organizations.

One of our key areas of focus in recent years has been accelerating the private market for conservation, which we are doing as founding sponsor, strategic advisor and an Advisory Board member to NatureVest, the impact investing arm of The Nature Conservancy. NatureVest seeks to create and execute investable deals in a variety of sectors around the world that deliver conservation results and financial returns for investors.

Transparency & Reporting

We seek to be transparent about our approach to and performance on ESG topics. We do so through this annual ESG Report and numerous other communication channels listed in the Additional Online Resources boxes throughout this report.

In 2019, we will publish a voluntary report on the Firm's approach to managing climate-related risks and opportunities, guided by recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We have served as a member of the TCFD since it was established.

Engaging Employees in Our Sustainability Strategy

Many of our employees care deeply about sustainability, so we integrate sustainability into our employee engagement and volunteerism activities. In 2018, we launched a Sustainability Ambassadors program to recognize internal sustainability champions and enhance the Firm's sustainability initiatives. The Ambassadors, comprised of employees at the Managing and Executive Director levels, are helping to integrate sustainability information into internal communication and planning channels, and also to incorporate sustainability and ESG issues in product development and client advisory services. In addition, they participate in relevant volunteer and philanthropic opportunities and represent the Firm externally on sustainability topics such as financing renewable energy and climate change. For more information on employee engagement activities, see p. 17.

Key Memberships and Commitments

JPMorgan Chase participates in, is a member of or has committed to various initiatives and principles that address business and sustainability matters, including:

- ▶ Asian Corporate Governance Association (ACGA)*
- ▶ Business and Sustainable Development Commission
- ▶ CDP (Investor Signatory)*
- ▶ Center for Climate and Energy Solutions (C2ES) Business Environmental Leadership Council
- ▶ Ceres
- ▶ Equator Principles
- ▶ Extractives Industry Transparency Initiative*
- ▶ Global Impact Investing Network*
- ▶ Global Real Estate Sustainability Benchmark (GRESB)
- ▶ Green Bond Principles
- ▶ Institutional Investors Group on Climate Change*
- ▶ RE100
- ▶ Soft Commodities Compact
- ▶ U.N. Principles for Responsible Investment*
- ▶ World Business Council for Sustainable Development
- ▶ World Green Building Council

* Through our Asset & Wealth Management line of business

Additional Online Resources



- ▶ [Annual Report](#)
- ▶ [Asset Management – Sustainable Investing](#)
- ▶ [Environmental and Social Policy Framework](#)
- ▶ [NatureVest](#)
- ▶ [Research Library](#)
- ▶ [Sustainability Fact Sheet](#)
- ▶ [Sustainability Website](#)
- ▶ [Wealth Management – Sustainable Investing](#)

For additional information, please visit
www.jpmorganchase.com/ESG.

Environmental Data

	2018	2017	2016
Employee headcount	256,105	252,539	243,355
Square footage ¹	57,584,466	58,140,356	59,736,427

Greenhouse Gas (GHG) Emissions ²	UNIT	2018	2017	2016
Scope 1 emissions ³	MtCO ₂ e	83,101	78,229	79,556
Scope 2 emissions – Location-based	MtCO ₂ e	739,458	770,704	906,093
Scope 2 emissions – Market-based	MtCO ₂ e	572,067	596,843	780,710
Total Scope 1 and Scope 2 – Market-based	MtCO₂e	655,167	675,073	860,267
Reduction over 2005 baseline ⁴	%	53	52	38
GHG Emissions per sq. ft.	MtCO ₂ e/sq. ft.	0.01138	0.01161	0.01440
Scope 3 emissions from employee air travel	MtCO ₂ e	176,356	187,020	130,430
Verified Emission Reduction (VER) credits purchased	MtCO ₂ e	184,769	175,155	160,000

Renewable Power	UNIT	2018	2017	2016
Electricity production (on-site solar and fuel cells)	MWh	13,290	6,472	5,328
Contractual instruments ⁵	MWh	375,280	370,801	210,000
Proportion of power use from renewable sources (production and instruments)	%	22	21	11

Energy Consumption	UNIT	2018	2017	2016
Electricity	MWh	1,787,344	1,823,121	1,942,799
Steam	MWh	36,911	30,423	30,284
Chilled water (indirect emissions)	MWh	232	222	327
Natural gas	MWh	256,623	224,119	221,823
Propane	MWh	1,281	1,081	1,034
Fuel oil	MWh	13,248	12,283	11,161
Jet fuel	MWh	32,172	33,447	32,970
Total	MWh	2,127,812	2,124,697	2,240,399
Reduction over 2005 baseline (net)	%	33	31	28

Water Consumption	UNIT	2018	2017	2016
U.S. operations ²	m ³	5,731,976	5,611,797	5,127,749

1 JPMorgan Chase utilizes an operational control approach to establish boundaries for our GHG inventory. This includes owned and leased facilities for which we control energy usage and pay energy/utility bills directly to the respective utility.

2 Scope 1, 2 and 3 emissions were verified for 2016, 2017 and 2018. Water consumption in 2018 has been verified.

3 Scope 1 emissions include emissions from corporate air travel.

4 Emission reduction calculations over the 2005 baseline use the market-based method.

5 Contractual instruments include Renewable Energy Credits (RECs) from the Buckthorn wind farm PPA, Renewable Energy Guarantees of Origin (REGOs) and a solar and wind tariff.

JPMorgan Chase Business Principles

Exceptional client service

1. Focus on the customer
2. Be field and client driven and operate at the local level
3. Build world-class franchises, investing for the long term, to serve our clients

Operational excellence

4. Set the highest standards of performance
5. Demand financial rigor and risk discipline: We will always maintain a fortress balance sheet
6. Strive for the best internal governance and controls
7. Act and think like owners and partners
8. Strive to build and maintain the best, most efficient systems and operations
9. Be disciplined in everything we do
10. Execute with both skill and urgency

A commitment to integrity, fairness & responsibility

11. Do not compromise our integrity
12. Face facts
13. Have fortitude
14. Foster an environment of respect, inclusiveness, humanity and humility
15. Help strengthen the communities in which we live and work

A great team & winning culture

16. Hire, train and retain great, diverse employees
17. Build teamwork, loyalty and morale
18. Maintain an open, entrepreneurial meritocracy for all
19. Communicate honestly, clearly and consistently
20. Strive to be good leaders

Contact Us

To contact Corporate Responsibility, email corporate.responsibility@jpmchase.com.

To contact Investor Relations, email JPMInvestorrelations@jpmchase.com.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$2.6 trillion and operations worldwide. The Firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing and asset management. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of customers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands.

Information about J.P. Morgan's capabilities can be found at jpmorgan.com and about Chase's capabilities at chase.com. Information about JPMorgan Chase & Co. is available at jpmorganchase.com.

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