

*Advancing*  
**FINANCIAL  
HEALTH**

JPMORGAN CHASE & CO.



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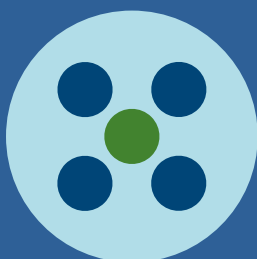
# Financial Health Facts

Far too many people struggle to manage their daily financial lives. This struggle does not just apply to low-income households or certain geographies. In fact, research from the Financial Health Network found that more than half of Americans experience high amounts of debt, not enough savings or irregular income.



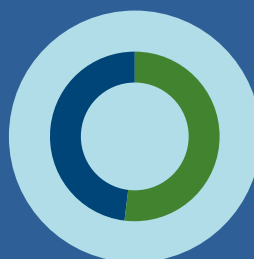
## **MOST U.S. HOUSEHOLDS**

do not have sufficient liquid assets to weather **90%** of income and expense fluctuations



## **MORE THAN 1 IN 5**

Americans are not saving on a monthly basis



## **52%**

of Americans do not have enough money saved on hand for a \$500 emergency



## **WORLDWIDE**

more than **1 billion** adults struggle to manage their financial lives

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## Why It Matters

Sound financial health is the foundation upon which resilient households, communities and economies are built. Without firm financial footing, many people resort to risky, and often expensive, alternatives such as payday loans or check cashing outlets. Not only does this negatively impact individuals, it hurts our economies. Our firm is combining what we have learned from our community work and our business innovation to strengthen this foundation by supporting people to build savings, reduce debt and build credit. When more people can reach their long-term goals of buying a home, going to college or starting a company, this creates more economic opportunities for people, communities and the global economy.

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# Our Investment

As part of our firmwide strategy to drive global economic growth in cities, JPMorgan Chase has committed \$125 million over five years to improve the financial health of those most in need. We are working closely with community organizations to address the unique financial needs of people who too often get left behind in a growing economy – including low-income women, immigrants, people of color and the aging. By supporting the development of innovative fintech tools, expanding financial coaching programs and supporting our nonprofit partners, we are helping more people make their financial dreams a reality.



The most important thing we can do for people is help support their financial health. When we help more people reach their financial goals and build wealth, we build a stronger economy for us all.

**Alice Rodriguez**  
Head of Community & Business Development,  
JPMorgan Chase & Co.



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# Our Firmwide Strategy to Promote Financial Health



## **STRENGTHENING CUSTOMERS' RESILIENCE**

Help low-income customers build a strong financial future and prepare for unexpected events



## **INVESTING IN COMMUNITIES**

Invest in innovative fintech products, solutions and financial coaching models



## **SUPPORTING EMPLOYEES**

Advance the financial well-being of our employees through programs and resources

# Developing and Sharing Insights Into the Financial Lives of Consumers

JPMorgan Chase provides a new viewpoint by leveraging its unique data, expertise and market access to develop insights into the needs of consumers, allowing us to design improved products, inform policy and spark innovation.



**T**hrough the JPMorgan Chase Institute, we are analyzing de-identified transactions from nearly 40 million American households that are Chase customers to inform our firm's efforts in promoting financial health. These data-rich analyses of consumer financial behavior are free and publicly available, and are published to help policymakers, business and nonprofit leaders advance their efforts to find solutions to important economic issues facing Americans.

Research by the Institute has provided deep insight into the magnitude, sources and impacts of income and spending volatility – notably revealing that Americans experience tremendous fluctuation in how much they earn and spend from one month to the next. In fact, the Institute's analyses show that the typical U.S. household does not have the necessary financial buffer to withstand such swings.

Institute research has also provided a look at the impact of the Online Platform Economy, the role of unemployment insurance and how expenses like mortgage and student loan payments fit into consumers' broader financial lives. In addition, the research explores how consumers' financial behavior changes when faced with unexpected expenses, such as extraordinary medical and other payments, or a loss of income.

By enhancing our understanding of the financial challenges and opportunities consumers face, we can develop more effective solutions. The findings from the Institute's research highlight the critical role that emergency savings and innovative tools can play in helping consumers manage expense spikes and income dips.



**\$179** The amount a family owing student loan payments pays per month, which is roughly 5.5% of their take-home income in months with positive payments

**6 WEEKS** The amount of take-home income an average family needs to weather a simultaneous income and spending shock

**60%** The percentage of families that lack a significant buffer to weather an income and spending shock at the same time

**29%** The average fluctuation of expenses on a month-to-month basis for median-income households – equal to nearly \$1,300 or roughly equivalent to a family's rent or mortgage payment

**ALMOST 4 IN 10** The number of families making an extraordinary payment of over \$1,500 related to medical services, auto repair or taxes each year – and it is taking them over a year to recover from major medical expenses

# Creating Affordable, Innovative and Scalable Products and Services

JPMorgan Chase is working to help people improve their everyday financial lives. Our ongoing work and collaboration with community organizations has helped us gain valuable insights that are informing our efforts to bring affordable, innovative and scalable products to help customers improve their credit, save and invest for the future.

Because saving is an important step to achieving financial resiliency, our firm is creating easier ways to help people save – no matter when they start. **Autosave** is a digital tool that automatically transfers money to a savings account, regardless of the amount.

Another important part of our strategy is expanding access to banking for the millions of people in the United States who don't have a bank account or have had difficulty getting one in the past. **Chase Secure Banking<sup>SM</sup>** is a low-fee, Bank On certified bank account with no overdraft

fees, the ability to make electronic payments and full access to Chase branches, ATMs and digital tools. The account gives customers full participation in digital banking, including the ability to electronically pay people, pay bills, get paid and transfer money. It already serves thousands of customers across the U.S.

And because a healthy credit score is key to strong financial health, **Credit Journey** is a free digital tool that is helping more than 18 million people, whether they are customers or not, get instant access to their credit score and gain an understanding about how it can change over time.



## BRANCHING OUT INTO NEW COMMUNITIES

To boost accessibility to banking, JPMorgan Chase is expanding our branch network into nine new markets across the country – with approximately 30% of these new branches opening in low- to moderate-income communities that have less access to traditional banking.

By expanding resources at our branches, such as coaching and advice, we aim to make our branches centers of information and education for our customers and communities. For example, we introduced Chase Chats, a program featuring interactive conversations on financial topics such as budgeting, saving, retirement and starting a business.

As we transform our branches into community destinations, we are also testing new models to see what works. One example is a new branch concept, now open in Harlem, New York, that offers unique programming in money management and financial planning; digital coaching on jobs, small business and computer skills; a pop-up space for local small businesses; and a hub for Chase to showcase and test new

retail banking technology before it rolls out nationwide. Around the country, we are also helping students build a strong financial foundation with access to branches near colleges and universities, a digital advice hub, free savings and checking accounts and a credit card designed to promote healthy credit habits.

# Supporting Nonprofits to Improve Financial Resiliency and Build Wealth in Communities

Nonprofit organizations play a critical role in serving the most vulnerable populations and testing new models to help low-income individuals improve their financial health.

**S**ince 2015, JPMorgan Chase has committed more than \$100 million to nonprofit organizations and research institutions across the world, helping 7 million people improve their financial health and save more than \$1 billion.

Our support provides essential capital for nonprofits' early-stage ideas, helps scale the models that prove effective and enhances our community partners' organizational capacity and reach. For example, JPMorgan Chase supports MyPath, a nonprofit that partners with employment and development organizations to bring financial coaching and education into the workplace to help low-income working youth build financial health. Our firm's two-year, \$1.2 million commitment will enable MyPath to strengthen existing models in seven cities and expand programming in Southern California.

Another example of how our support positively impacts low-income consumers is Trusted Advisor™, a workplace digital financial coaching program, created by Neighborhood Trust Financial Partners. Winner of Financial Solutions Lab's inaugural challenge in 2015, Trusted Advisor™ (formerly known as PayGoal) aims to leverage the workplace as a channel to reach and improve the financial health of low- and moderate-income workers. In 2019, JPMorgan Chase provided Neighborhood Trust with a three-year, \$1.5 million investment to increase the impact, scale and sustainability of Neighborhood Trust's workplace financial tools.

In addition to our investments, our firm has dedicated programs to help build the capacity of nonprofit partners involved in thought leadership and services related to low- and moderate-income communities, including communities of color and people with disabilities.



Financial Health Network CEO Jennifer Tescher and Neighborhood Trust Financial Partners CEO Justine Zinkin appear on a panel in Harlem.

**FINANCIAL SOLUTIONS LAB WINNERS HAVE HELPED MORE THAN 4.5 MILLION U.S. RESIDENTS IMPROVE THEIR FINANCIAL HEALTH.**

## HARNESSING THE POWER OF TECHNOLOGY TO PROMOTE GLOBAL FINANCIAL HEALTH

Technology offers tremendous potential to expand access to safe, affordable financial products and services for consumers across a range of incomes, languages and geographies.

The **Financial Solutions Lab (FinLab)**, a 10-year, \$50 million initiative managed by the Financial Health Network with founding partner JPMorgan Chase, is supporting technology-based innovations to improve financial health. FinLab holds an annual competition to identify, test and scale products and services

that address the needs of underserved communities in the United States.

**Catalyst Fund**, an initiative of BFA and supported by JPMorgan Chase, boosts breakthrough technology solutions to promote financial health in underserved communities around the world.

And JPMorgan Chase has collaborated with the Indian Institute of Management Ahmedabad's Centre for Innovation Incubation and Entrepreneurship (IIMA-CIIE) to launch the **Financial Inclusion Lab** in India, which is aimed at bringing to scale early-stage inclusive fintech start-ups in India.

# Leveraging the Expertise and Boosting the Financial Health of Our Employees

The people of JPMorgan Chase are dedicated to deepening the impact of financial health in communities. Leveraging our expertise in financial services, JPMorgan Chase engages our employees to help innovative social enterprises and community partners enhance their programs and services and deliver financial health resources to underserved communities.

Our employees mentor and provide guidance and expertise to nonprofits and other partners working to improve financial health, deliver and test financial education programs, and participate in other skills-based volunteering projects to promote financial health among vulnerable populations. In total, over

3,000 employees have volunteered more than 34,000 hours to help maximize the impact of our philanthropic investments. In addition, as part of our **Force for Good** program – through which our employees build technological solutions for nonprofits – JPMorgan Chase technologists have completed projects for organizations focused on financial health, such as Cities for Financial Empowerment Fund.

Our firm is also committed to advancing the financial well-being of our employees. This includes financial wellness programs like National Savings Month to help them better manage their needs and meet their financial goals.

## SUPPORTING FINLAB WINNERS

### THROUGH MENTORSHIP

The capital Financial Solutions Lab winners receive is important, but they also get access to something as or more valuable: our people's expertise. Each FinLab winner is supported by JPMorgan Chase employees as the winner develops technology-enabled products and services to help individuals improve their financial health. Mentors from the firm work closely with FinLab winners to share learnings on product implementation, provide technical assistance and more. To date, more than 150 JPMorgan Chase employees have volunteered their expertise and leveraged their networks to help FinLab winners improve their products and increase their reach.



FinLab was instrumental in helping us grow our business and providing the expert insights we needed. Our mentor from JPMorgan Chase is extremely knowledgeable and has been perfect for our needs. He got us to start thinking beyond enrollment in the food stamp program to what happens once the person can access the benefits. That was a huge mental shift for us.

**Jimmy Chen**  
Founder and CEO, Propel





Learn more about how JPMorgan Chase  
is promoting financial health at

[WWW.JPMORGANCHASE.COM/FINANCIALHEALTH](http://WWW.JPMORGANCHASE.COM/FINANCIALHEALTH)



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