

Environmental Social & Governance Report

2020

JPMORGAN CHASE & CO.



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Message from Our Chairman & CEO

This past year has brought tremendous personal loss, economic hardship and a host of other challenges for so many. Throughout the pandemic, our firm has worked tirelessly to fulfill our most fundamental responsibility: supporting our employees, customers, clients and communities.

We have been able to do so because of the actions and investments we've made over many years to build a strong, resilient company. This includes maintaining robust risk, financial and operating controls; having an unwavering devotion to our customers and communities; investing in our employees and fostering a diverse and inclusive workplace; upholding a culture that reinforces integrity, fairness and responsibility; and advancing sustainability in our business and operations.

We also continually challenge ourselves to find ways to put our business to work for the benefit of all of our stakeholders, including those who are struggling the most. That is why we're fully engaged in trying to help solve some of the world's biggest challenges – including racial inequality, climate change and the need to advance an inclusive economic recovery.

Today, this is frequently described as environmental, social and governance – or ESG – management. I think of it simply as the smart way to do business.

Our firm's strategy to help accelerate the shift to a more sustainable, low-carbon future is one example of our work in action. We are targeting to finance and facilitate more than \$2.5 trillion over 10 years to advance climate action and sustainable development. In addition, we are aligning key financing portfolios with the goals of the Paris Agreement and working with our clients to finance their decarbonization strategies – efforts that are intended to drive near-term actions that will help set the world on a path to achieving net-zero carbon emissions by 2050.

We also committed \$30 billion to advance racial equity. Structural barriers in the U.S. have created profound racial inequities, which the COVID-19 pandemic has exacerbated. JPMorgan Chase is working to do our part by harnessing our expertise in business, policy and philanthropy to address key drivers of the racial wealth divide and provide economic opportunity to underserved communities, especially Black and Latinx communities. We are also redoubling our efforts to build a more equitable and representative workforce within our own company.

Ultimately, our long-term business success depends on the success of the communities we serve. In this report, I invite you to learn more about the ways we strive to operate a thriving company that we can be proud of, and all the ways JPMorgan Chase is putting its business to work for our stakeholders.

Jamie Dimon

Chairman & CEO, JPMorgan Chase & Co.

Our Approach to ESG

JPMorgan Chase & Co. (together with its subsidiaries, “JPMorgan Chase,” “we” or “the firm”) has built its reputation on being there for our clients, customers and communities. The events of 2020 – the global COVID-19 pandemic, a societal reckoning with systemic racism and the increasingly visible effects of climate change – underscore why understanding, anticipating and effectively managing environmental, social and governance (ESG) matters is critical to delivering on our mission to serve our clients, customers and communities. Now, more than ever, a strong focus on ESG is a business imperative – and a key driver of long-term business success.

At JPMorgan Chase, ESG matters are an important consideration in how we do business, including our corporate governance systems, risk management and controls, human capital management, approach to serving clients and customers, support for local communities and management of our physical operations. We recognize the potential for ESG-related risks, which we work to identify and manage just as we manage risk in all areas of our business. Equally important, we believe companies like ours have an obligation to put their businesses to work for all of their stakeholders. For our firm, this means we are leveraging our business and policy expertise, data, capital and global presence to help drive an inclusive recovery, expand access to economic opportunity and accelerate sustainability and climate solutions.

About This Report

JPMorgan Chase communicates regularly about how we manage and conduct our business. We share information about our ESG performance through a number of channels – including our Annual Report and Proxy Statement, various other reports and presentations, regulatory filings, press releases and direct conversations with stakeholders. We maintain a dedicated [ESG Information](#) page on our website to facilitate access to information that we publish on these topics.

This annual ESG Report is designed to consolidate and summarize our work on key topics that are important to our business and stakeholders, and guide readers to where they can access more detailed information about specific topics of interest. All data in this report are as of Dec. 31, 2020, unless otherwise noted.

External Reporting Frameworks

The topics covered in this report have been informed by the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB) reporting standards. This report has also been informed by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and serves as an update to JPMorgan Chase’s Understanding Our Climate-related Risks and Opportunities report from May 2019. The [appendices](#) to this report include indices that map our firm’s disclosures in relation to these frameworks’ indicators and recommendations.

Company at a Glance

JPMorgan Chase & Co. is a leading financial services company and has operations worldwide with assets of \$3.4 trillion as of Dec. 31, 2020. 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 customers 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, refer to Business Segment Results on pages 68-84 of our Annual Report on [Form 10-K](#) for the year ended Dec. 31, 2020.

Consumer & Community Banking

Consumer & Community Banking (CCB) offers services to consumers and businesses through bank branches, ATMs, and digital (including mobile and online) and telephone banking. CCB is organized into Consumer & Business Banking (including Consumer Banking, J.P. Morgan Wealth Management and Business Banking), Home Lending (including Home Lending Production, Home Lending Servicing and Real Estate Portfolios) and Card & Auto. Consumer & Business Banking offers deposit and investment products; payments and services to consumers; and lending, deposit, and cash management and payment solutions for small businesses. Home Lending includes mortgage origination and servicing activities, as well as portfolios consisting of residential mortgages and home equity loans. Card & Auto issues credit cards to consumers and small businesses and originates and services auto loans and leases.

Corporate & Investment Bank

The Corporate & Investment Bank (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

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

Asset & Wealth Management

Asset Management offers multi-asset investment management solutions across equities, fixed income, alternatives and money market funds to institutional and retail investors, providing for a broad range of clients' investment needs. Wealth Management¹ provides retirement products and services, brokerage, custody, trusts and estates, loans, mortgages, deposits and investment management to high-net-worth clients. The majority of Asset & Wealth Management's (AWM's) client assets are in actively managed portfolios.

Corporate

The Corporate segment consists of the Treasury and Chief Investment Office (CIO) and Other Corporate, which includes corporate staff functions and expense that is centrally managed. Treasury and CIO is predominantly responsible for measuring, monitoring, reporting and managing the firm's liquidity, funding, capital, structural interest rate and foreign exchange risks. The major Other Corporate functions include Real Estate, Technology, Legal, Corporate Finance, Human Resources, Internal Audit, Risk Management, Compliance, Control Management, Corporate Responsibility and various Other Corporate groups.

Information about JPMorgan Chase's financial performance is available in our [quarterly earnings](#) materials, as well as quarterly and annual reports on [Form 10-Q](#) and [Form 10-K](#), respectively.

Our Key Environmental, Social and Governance Topics

JPMorgan Chase manages a broad range of ESG topics across our global business and operations. We assess and identify new or emerging ESG issues that could impact or be impacted by our firm on an ongoing basis. This includes discussions with subject matter experts from across our business and analysis of feedback we receive through our regular engagement with stakeholders (see [page 7](#)). We also monitor ESG trends and policy developments, disclosure standards and industry best practices.

The following are the ESG topics we have identified as the most relevant to our business and of greatest interest to our stakeholders:



Environmental

- Developing financial solutions that drive action on climate change and generate other positive environmental impacts
- Managing environmental risks, including climate-related risks
- Minimizing the environmental impacts of our physical operations
- Partnering with organizations to advance sustainable development



Social

- Acting in the best interest of our customers
- Addressing human rights-related risks
- Developing financial solutions that improve quality of life and generate other positive social impacts
- Expanding economic opportunity in the communities where we do business
- Investing in our human capital
- Promoting diversity, equity and inclusion
- Strengthening consumer financial health



Governance

- Cultivating a strong risk and control environment
- Fostering a culture of transparency and ethical behavior
- Maintaining effective Board leadership and management processes
- Participating in political engagement and public policy
- Safeguarding privacy and cybersecurity

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 customers and clients, employees, members of the communities we serve, regulators and policymakers, research analysts, shareholders and suppliers. We engage with these groups on an ongoing basis to gain insight into their needs and perspectives, as well as 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.

Communities

Within our communities, we engage with nonprofit organizations on issues important to 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, as well as public policy issues. Additionally, in 2020 we established a Community Engagement team to focus on deepening relationships with business, civic, advocacy and nonprofit leaders to support the needs of local residents where we operate, as well as to solicit feedback to shape local initiatives. In the first quarter of 2021, the Community Engagement team worked with over 150 groups around the firm's Path Forward commitment, which aims to advance racial equity and provide economic opportunity to underserved communities.

Customers and Clients

We use multiple channels to solicit and respond to consumer banking customers' 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. We also regularly engage with and solicit feedback from our corporate, institutional, public sector and other clients through multiple channels, including individual meetings, conferences and other forums.

Employees

We share information with our employees and gather their input through surveys, including our global Employee Opinion Survey and Exit Surveys; regular town hall and small group meetings; focus groups; blogs, articles and newsletters; online feedback tools via

our intranet; and other forums. In 2020, we developed a range of resources to answer employee questions about COVID-19 and keep them informed on our firm's policies, plans and safety measures for returning to work. 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 the Conduct Hotline, which is operated by an independent third-party reporting service and offers translation services. Employees can contact the hotline by phone or online to report concerns, anonymously if they choose, 24 hours a day, seven days a week.

Regulators and 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 Board 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 in a variety of ways, such as exams and continuous monitoring, regular meetings and ad hoc requests. We share reports with regulators on a range of matters and seek feedback about whether they are getting the right level, quality and frequency of information.

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. In addition, we respond to surveys and specific information requests, and engage with analysts and researchers through calls and meetings.



Shareholders

We communicate to shareholders through our Annual Report and Proxy Statement, Securities and Exchange Commission filings, press releases and the firm's website. In addition, we engage with shareholders through quarterly earnings calls, investor meetings and conferences, annual shareholder meetings and other forums. We conduct a formal shareholder outreach program focused on topics including corporate governance, shareholder rights, executive compensation and sustainability. In these meetings, management shares information and provides updates on these topics, addresses questions, and solicits shareholders' perspectives and feedback. Directors participate in these meetings as appropriate. Following each shareholder outreach program, shareholders' areas of focus and feedback are shared with the Board. In 2020, we had approximately 100 engagements with nearly 60 shareholders, representing approximately 45% of the firm's outstanding common stock.

We also engage in dialogue with shareholders outside these more formal channels. These engagements provide us with useful feedback, which we consider when developing the firm's processes, practices and strategic direction.



Suppliers

We interact with our key suppliers on a frequent basis through various channels, including regular business reviews, ad hoc meetings, phone and email. We also host periodic town hall forums to communicate key information. Through these interactions, we engage in dialogue with our key suppliers on topics of importance to our firm, including our ability to operate efficiently and effectively, deliver products and services that meet our clients' and customers' needs, manage risk and controls, and drive our diversity, equity and inclusion agenda. We are committed to holding our suppliers to the highest standards of business conduct and integrity, and we work together to make a positive impact in the communities where we do business.



How We Do Business

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Governance

Our governance structures and processes strive to promote accountability, transparency and ethical behavior – and we regularly evaluate and enhance them to help us operate at the highest levels of performance in everything we do.

Board of Directors

Our Board brings a strong combination of executive experience and skills aligned with our business and strategy. Apart from our CEO, all our Directors are independent, under the standards established by the New York Stock Exchange and the firm's Corporate Governance Principles. Our Board has a Lead Independent Director who is appointed annually by the independent Directors and facilitates independent Board oversight of management. As of May 2021, there are 10 Directors on our Board, including four women Directors and one Black Director.

Our Board oversees the firm through five principal standing committees:

- The Compensation & Management Development Committee;
- Corporate Governance & Nominating Committee;
- Risk Committee;
- Audit Committee; and
- Public Responsibility Committee.

The firm's [Corporate Governance Principles](#) and the [charters](#) of the Board's standing committees establish a framework for the governance of the Board and oversight of the firm. Each of the Board's committees also plays a role in reinforcing our commitment to doing business in accordance with our corporate standards and [Business Principles](#). Our annual [Proxy Statement](#) includes information about the membership and responsibilities of these committees.

In addition, each of the Board's standing committees oversees a range of matters pertaining to ESG topics, in accordance with the scope of their charters. For example, the Compensation & Management Development Committee reviews and approves the firm's compensation and benefit programs and oversees the firm's culture, including reviewing diversity programs. The Public Responsibility Committee provides oversight of the firm's positions and practices on public responsibility matters such as community investment, fair lending, sustainability, consumer practices and other public policy issues that reflect the firm's values and character and could impact its reputation among its stakeholders. The Risk Committee assists the Board in its oversight of management's responsibility to implement a global risk management framework reasonably designed to identify, assess and manage the firm's risks.

Senior Management

Our management structure is intended to encourage effective leadership that is consistent with our corporate standards and promotes a strong corporate culture. We manage our firm on a line-of-business basis, while also maintaining strong corporate functions and appropriate governance of our subsidiaries.

Our firm's most senior management body is the Operating Committee, which is responsible for developing and implementing corporate strategy and managing operations. As of Dec. 31, 2020, women held 44% of the seats on the Operating Committee.

Management of Climate-related Issues

Many of our stakeholders are especially interested in how the firm manages topics related to climate change. Matters related to climate change are an important component of our sustainability strategy and efforts, which are led and managed by several parts of our firm, including teams across our corporate functions and lines of business, as well as our Risk Management organization.

Our corporate sustainability and operational sustainability teams lead the integration of climate-related considerations into the firm's overall sustainability strategy.

- Our Corporate Sustainability team – which reports to the head of Corporate Responsibility – works across the firm and is responsible for advising on the firm's approach to managing environmental- and human rights-related issues, supporting the development of sustainability- and climate-focused business strategies and financing opportunities, and engaging with stakeholders and external reporting on these matters.
- Our Operational Sustainability team – which reports through the Chief Administrative Officer – coordinates groups across our Chief Administrative Office, which includes Global Real Estate, Global Supplier Services and Firmwide Business Resiliency, among other groups, to develop and execute the firm's strategy to minimize the environmental impact of our operations and supply chain. This team is responsible for achieving our operational sustainability targets, including our commitment to maintain carbon neutral operations and source renewable energy for 100% of our global power needs annually.

In addition, our lines of business drive sustainability-focused opportunities. We have functions dedicated to providing our clients with financing capabilities, advisory services, and research on environmental sustainability and climate-related business opportunities (see [page 55](#)). In 2020, we further expanded these capabilities. For example, we established the Center for Carbon Transition (CCT) to manage our Paris-aligned financing commitment and engage with clients on sustainability-focused financing, research and advisory solutions to help guide their long-term business strategies. The CCT has accountability to senior leadership in the CIB and CB and will work in close partnership with teams across our business to drive achievement of the commitment.

Our Risk Management organization is leading efforts to integrate climate-related considerations into our firmwide processes for identifying, assessing and managing risks. For example:

- The firm has a dedicated Climate Risk team, which is led by our newly appointed Firmwide Risk Executive for Climate Risk. The team is responsible for establishing our internal approach to managing climate risk, including developing relevant policies and standards as well as building our approach to climate risk data. The Climate Risk team collaborates with stakeholders across the firm to integrate climate considerations into line-of-business risk management frameworks.
- Additionally, our Global Environmental and Social Risk Management (GESRM) team establishes the firm's environmental and social risk standards, reflected in our public [Environmental and Social Policy Framework](#), to determine transactions and activities that may present increased environmental and social risks. At the transactional level, GESRM assesses a client's commitment and capacity to manage the risks relevant to its activities, including assessments of the client's operating approaches and track records.

The Chief Risk Officer provides updates on climate-related initiatives to the firm's Operating Committee and Board of Directors. See the Risk Management section ([page 14](#)) for more information on how we identify and manage environmental and social risks, including those driven by climate change.

Ethical Culture

Earning and maintaining the trust of customers, clients and other stakeholders is essential to our business. To do this, we strive to maintain the highest ethical standards, as encompassed by our Business Principles, [Code of Conduct](#) and other internal policies. Every employee is responsible for upholding these standards in their work. We reinforce these expectations through various channels, including our Code of Conduct and Culture of Respect trainings, and by encouraging our senior leaders to communicate about these issues clearly and frequently with employees. In addition, as part of the annual review process, all employees are evaluated against common performance dimensions that include delivering business results; addressing the needs of clients, customers and stakeholders; fostering a collaborative and inclusive environment; driving a robust risk and control environment; and acting with integrity.

We recognize that clear expectations, policies and processes are critical to supporting ethical behavior, and building a culture that reinforces those expectations is equally important. We work to create an environment that not only supports ethical behavior but also allows employees to feel safe and empowered to speak up if they have concerns about unethical behavior. We have implemented employee training, protocols and reporting mechanisms to help prevent behavior that is not in line with our Business Principles, Code of Conduct and other internal standards. The firm prohibits retaliation against any individual who reports a concern or assists with an inquiry or investigation.

We have a Conduct Hotline, which is a channel for employees, customers, clients and vendors to raise conduct concerns if they see, hear or suspect something violates our firmwide Code of Conduct. The Conduct Hotline is open 24/7, with the option to submit inquiries by phone or online. The Conduct Hotline helps promote integrity, fairness and accountability. The firm's Code of Conduct is our shared commitment to preserve and build on these values and to maintain exceptional relationships with our customers, clients, shareholders, colleagues and our communities.

Ethics and culture are key focus areas of our Board of Directors. The Board's Compensation & Management Development Committee oversees the governance framework that underpins our firmwide culture of ethics and receives regular updates from management, including on significant conduct issues if any should occur. In addition, the Compensation & Management Development Committee holds a periodic joint session with the Risk Committee in which Directors are briefed by senior management on conduct-related matters.

Political Engagement and 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 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, trade and inclusive economic growth, among others – to advance and protect the long-term interests of the firm.

In 2019, we launched the JPMorgan Chase [PolicyCenter](#) to develop and advance sustainable, evidence-based policy solutions that drive inclusive economic growth in the U.S. and around the world. In response to COVID-19, in 2020 we turned our focus to the unprecedented health, employment, housing and economic consequences resulting from the pandemic. In particular, through our advocacy we are working to support policies that address existing structural barriers and racial inequalities in the U.S. worsened by the current crisis. For example, we are in support of

economic relief to address the immediate impacts of COVID-19 on families, small businesses and communities and advocating for longer-term household and small business financial health and resilience that supports an equitable economic recovery.

We belong 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 of our Board of Directors 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.

We aim to operate with the highest standards of public transparency in political spending. Our efforts have been recognized by the 2020 CPA-Zicklin Index of Corporate Political Disclosure and Accountability, which credited our firm as a Trendsetter for the second year in a row in its 2020 report.



SPOTLIGHT

Cybersecurity

As the pace of technological change continues to accelerate and digital solutions become more integrated into our daily lives, the cyber threat landscape continues to evolve, becoming increasingly pervasive and sophisticated. As such, cybersecurity continues to be a top priority for our firm. Our strategy is designed to securely enable new business and technology initiatives, while maintaining a relentless focus on protecting the firm, our clients and customers, and our third-party vendors. We devote significant resources to protecting and continuously improving the security of our systems.

Our Information Technology Risk and Security Management policies and standards provide the foundation of our cybersecurity program, which is focused on protecting the confidentiality, integrity and availability of the firm's infrastructure, resources and information. Through these policies and standards, we inform our employees about their responsibilities to protect customer and client information and the security of our systems. We also require that our third-party vendors providing certain services adhere to minimum security and control standards, our Supplier Code of Conduct, and applicable laws and regulations.

In partnership with the firm's lines of business and corporate functions, our Cybersecurity and Technology Control (CTC) organization identifies technology and cybersecurity risks and is responsible for the intelligence-driven delivery and operation of controls that enable us to effectively manage these threats. CTC closely assesses changes in the global threat landscape and monitors our operations through world-class intelligence and 24/7 operations to protect against, detect and respond to potential threats. And because every employee serves as the first line of defense, we educate, train and test all our employees on how to identify potential cybersecurity risks and protect the firm's resources and information. Every employee receives mandatory security awareness training on a periodic basis.

The CTC functions are responsible for governance and oversight of the firm's Information Security Program. The CTC functions' efforts are overseen by management at multiple levels including technology management, greater firmwide management and

the firm's Operating Committee. The Audit Committee of the Board of Directors is updated periodically on our Information Security Program and any recommended changes, cybersecurity policies and practices, ongoing efforts to improve security, as well as on our efforts regarding significant cybersecurity events. Internal and external auditors continually review our IT programs and processes and regulators periodically inspect and review our program.

PROTECTING THE FINANCIAL SYSTEM

We understand the potential for a cyber incident to impact global financial stability, and we work to do our part to build and maintain systemic resiliency. We are a member of the Financial Services Information Sharing & Analysis Center, an intelligence-sharing cooperative for the financial services sector. Its members, representing over \$35 trillion in assets under management, with 15,000 users in more than 70 countries, share intelligence, best practices and exercises to better secure the sector for the benefit of the public and the resiliency and integrity of financial institutions. Our firm also helped drive the creation of the Analysis and Resilience Center for Systemic Risk (ARC, formerly known as the Financial Systemic Analysis and Resilience Center, or FSARC), which is an industry-funded nonprofit organization designed to mitigate systemic risk to the nation's most critical infrastructure from existing and emerging threats. The ARC brings together the financial and energy sectors and seeks to establish a unified, cross-sector coalition that applies consistent approaches to assess, prioritize and mitigate risk to critical systems, assets and functions that are interconnected, interdependent and digitally exposed.

HELPING OUR CLIENTS PROTECT THEMSELVES

In addition to our efforts to protect our own firm from cyber threats, we have an education program for clients who are likely to be targets of cybersecurity attacks. As part of this program, in 2020, we reviewed high-risk cyber and fraud scenarios and shared best practices with more than 1,000 clients, helping them better protect themselves and reduce the risk of fraud.

Risk Management

JPMorgan Chase's overall objective is to manage our businesses – and associated risks – in a manner that balances serving the interests of our clients, customers and investors while protecting the safety and soundness of the firm. We focus on understanding not just types of risk, but also their drivers and potential impacts.

The firm's risks are generally categorized in four risk types: strategic risk, credit and investment risk, market risk and operational risk. As part of the firm's risk identification process, each line of business and corporate function is responsible for the ongoing identification of risks as well as the design and execution of controls to manage those risks. The Independent Risk Management (IRM) function establishes the firm's risk management frameworks as well as reviews and challenges risks identified by the lines of business and corporate risk management areas on a regular basis. These identified risks inform broader firmwide risk management processes such as scenario design, risk appetite refinement and strategic planning. IRM is also responsible for the implementation of policy and standards with respect to its own identified risks, processes and controls.

In this section we discuss the firm's approach to managing environmental and social risks, including climate-related risks. For more information on the firm's overall approach to risk management, see our Annual Report on [Form 10-K](#).

Managing Environmental and Social Risks

Understanding our clients' approach to, and performance on, environmental and social (i.e., human rights) matters – including those related to climate change – is an important component of the firm's risk management process that helps us make more informed risk decisions, continue to serve our customers responsibly and safeguard our financial resilience. The firm's risk management and oversight framework, including for environmental, social and climate-related risks, is managed on a firmwide basis.

Our publicly available [Environmental and Social Policy Framework](#) (Framework) provides an overview of our approach to evaluating risks posed by environmental and social matters, including articulating certain sectors, activities and financial products subject to our internal environmental and social due diligence and standards. In 2020, we updated our Framework to expand restrictions on financing for coal mining and coal-fired power and to introduce limitations for project financing for new oil and gas development in the critical habitat of the Arctic.

Transactions and activities covered by our environmental and social standards are evaluated by our dedicated Global Environmental and Social Risk Management team. These reviews focus on assessing a client's commitment and capacity to manage the risks relevant to its activities, including assessments of the client's operating approaches and track records. The nature and depth of due diligence is determined by a variety of factors but can include reviewing publicly

available information, reviewing relevant transaction documentation, directly engaging with clients and hiring third-party consultants. Following those reviews, the team may make recommendations to help mitigate environmental and social risk – such as enhanced disclosure, changes to transaction documentation and improved performance standards – or reject transactions.

Identifying and Managing Human Rights Risks

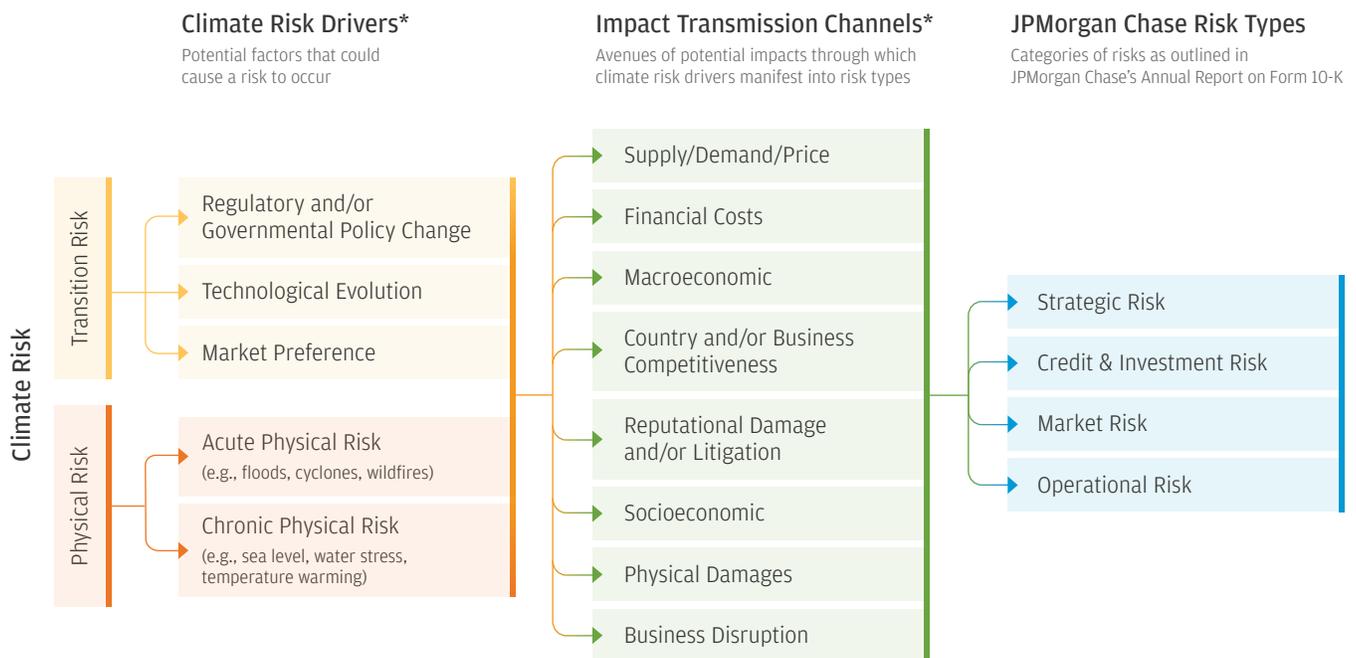
JPMorgan Chase supports fundamental principles of human rights across all our lines of business and in each region of the world in which we operate. As outlined in our [Human Rights Statement](#), our approach to protecting and preserving human rights is guided by the United Nations Universal Declaration of Human Rights. We also acknowledge the Guiding Principles on Business and Human Rights as the recognized framework for corporations to respect human rights in their own operations and through their business relationships. We have a range of policies, procedures and trainings that pertain to human rights issues, including modern slavery and Indigenous Peoples, across our business and supply chain. See our [Environmental and Social Policy Framework](#) for more detail.

Identifying, Assessing and Managing Climate-related Risks

Climate change is among the most critical challenges facing society today. JPMorgan Chase is committed to understanding how climate change may drive or influence the risks we identify and manage.

As illustrated in the chart below, we have developed an internal classification system that describes how climate-related risks can translate into potential impacts for our clients, customers and firm – such as changes in supply or demand, financial costs and/or business disruptions, among others – and how those impacts could manifest as risks to our firm. We also assess these impacts against considerations such as time horizon, business sector and geography as a means of better understanding how these risks emerge within our firm. This classification framework informs our risk identification process, which will continue to evolve as we deepen our understanding of how climate-related drivers could manifest as risks to the firm.

TRANSLATING CLIMATE-RELATED RISK DRIVERS INTO POTENTIAL RISKS TO OUR FIRM



* List is not exhaustive. We continue to refine our taxonomy based on an evolving understanding of how climate-related risk drivers may manifest as risks to the firm.

Over the past year, we have identified a number of climate-related risks the firm could face, and we will continue to evaluate new risks and the materiality of identified risks in terms of financial and nonfinancial impact to the firm.

As a global financial institution, we have determined our businesses, and the activities of our clients and customers, could be impacted through transition or physical risks driven by climate change.

- **Transition risks** cover a range of potential impacts that stem from how society responds to climate change. These include possible changes in energy and climate policy as well as financial regulation, which could lead to economic impacts or drive other changes, such as the development of low-carbon technologies. Transition risks also include shifts in consumer preferences toward low-carbon goods and services. All of these risks could impact our clients. Transition risks could also be further accelerated by changes in the physical climate.
- **Physical risks** include both acute weather events and chronic shifts in the climate, such as altered distribution and intensity of rainfall, prolonged droughts or flooding, increased frequency of wildfires, rising sea levels or extreme heat. These physical risks could have an impact on the firm's own operations and our clients' operations (e.g., interruptions to business operations or supply chains). The physical effects of climate change are likely to increase in frequency and severity over time.

In the absence of significant global action to curtail the effects of climate change, risk drivers such as extreme heat, sea level rise and increased frequency of extreme weather events are expected to impact and exacerbate existing risks to infrastructure, ecosystems and social systems. Transition and physical climate-related risks could also lead to financial impacts such as interruptions to supply chains, declines in asset values or significant shifts in demand for certain products or services.

As noted above, the key drivers of transition risk and physical risk can manifest themselves in a variety of ways. The table below provides selected examples of different types of climate-related transition and physical risks and how they could materialize across the four major risk types we manage: strategic risk, credit and investment risk, market risk and operational risk.

EXAMPLES OF IMPACTS OF CLIMATE-RELATED RISKS BY RISK TYPE

		CLIMATE RISK	
		Transition Risk	Physical Risk
JPMORGAN CHASE RISK TYPES	Strategic Risk Risk to earnings, capital, liquidity or reputation associated with poorly designed or failed business plans or inadequate response to changes in the operating environment.	Stakeholder perceptions of business (e.g., supply chain, lending, investments) with companies in carbon-intensive sectors could result in reputational impacts	Businesses operating in areas susceptible to climate-related events face inability to obtain appropriate insurance for their properties
	Credit & Investment Risk Risk associated with the default or change in credit profile of a client, counterparty or customer; or loss of principal or a reduction in expected returns on investments, including consumer credit risk, wholesale credit risk and investment portfolio risk.	Shift in consumer preference jeopardizes the viability of certain business models	Temporary disruption in a business's operations leads to loss in profitability
	Market Risk Risk associated with the effect of changes in market factors, such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term.	Changes in demand for carbon-intensive products or services lead to price volatility	Local weather event causes variability in agriculture output and leads to commodity price volatility
	Operational Risk Risk associated with an adverse outcome resulting from inadequate or failed internal processes or systems; human factors; or external events impacting the firm's processes or systems.	New legislation and/or regulatory requirements lead to significant changes in business processes and costs	Extreme weather causes damage to direct operations and/or infrastructure

Climate Scenario Analysis

Scenario analysis is a useful tool for understanding risks across a variety of economic, market and other conditions. Scenarios can be designed to monitor a wide range of stress events to give risk managers insight into the drivers or potential losses. An effective scenario analysis framework creates transparency into the scale and source of hypothetical losses, in order to make business decisions and compare risk appetite with business opportunities. The firm has a robust set of scenarios that are relevant to our businesses, risk positions, funding and capital management practices. They represent a wide range of severities as well as both broad drivers (e.g., general economic downturn) and specific events (e.g., credit squeeze, equity market collapse).

Leveraging scenario analysis to better understand climate-related risks is a relatively new and rapidly evolving area. We are continuing to consider comprehensive climate-based scenarios as we build our knowledge of climate-related drivers, impacts and potential losses, and we plan to evolve our approach to climate scenario analysis over time, especially as data availability and modeling techniques progress.

We recognize our business is exposed to both transition and physical climate risks, and are working to understand how climate-driven impacts may emerge. The financial impacts of climate-related risks can differ across industries, products, clients and geographies due to numerous factors including but not limited to:

- A client's strategy for developing low-carbon transition plans
- Time horizon associated with the transition and physical risks
- Impacts on the specific markets where clients have business activity
- Susceptibility to market value fluctuations of financial products (e.g., commodities, bonds, equity)
- Geographical concentrations of operations
- Availability of low-carbon technologies
- Changes in policy landscape

TRANSITION RISK

As part of the firm's work to evaluate its transition risk to select carbon-intensive industries, a pilot exercise was conducted on a segment of our business in seven industries – automotive, chemicals and plastics, industrials, metals and mining, oil and gas, transportation and utilities.

Our main objective in this pilot was to explore the extent to which companies within the identified industries could be affected by transition risk. For the purposes of this pilot exercise only, the analysis utilized assumptions from the International Energy Agency's 2019 Sustainable Development Scenario (IEA SDS), and the scenarios were structured to align with the representative

scenarios released in 2020 by the Network for Greening the Financial System. The pilot considered impacts of both abrupt and smooth transitions consistent with the Paris Agreement goals and reflected the pace and timing of policy action through changes in the price of carbon emissions.

The table below shows the firm's wholesale credit exposure to the pilot sectors. It is important to note total credit exposure to these sectors also includes subsectors, business models and companies that may not be significantly carbon intensive and/or may have minimal exposure to transition risk.

WHOLESALE CREDIT EXPOSURE TO SELECT INDUSTRIES ^(a)

December 31, (in millions)	2020		On Balance Sheet	
	Credit Exposure	% of Total Wholesale Credit Exposure	Credit Exposure	% of Total Wholesale Credit Exposure
Automotive	\$43,331	3.8%	\$23,123	3.7%
Chemicals & Plastics	\$17,176	1.5%	\$5,740	0.9%
Industrials	\$66,470	5.9%	\$22,994	3.6%
Metals & Mining	\$15,542	1.4%	\$5,736	0.9%
Oil & Gas	\$39,159	3.5%	\$12,910	2.1%
Transportation	\$16,232	1.4%	\$8,061	1.3%
Utilities	\$30,124	2.7%	\$8,214	1.3%
Above Industries Total Credit Exposure ^(b)	\$228,034	20.2%	\$86,778	13.8%
Total Wholesale Credit Exposure^(c)	\$1,127,261	100%	\$629,688	100%

(a) For additional disclosures about the composition of this table, see our Annual Report on [Form 10-K](#).

(b) Loans held-for-sale and loans at fair value are not attributed in the Above Industries Total Credit Exposure, but are included in Total Wholesale Credit Exposure.

(c) Per our Annual Report on [Form 10-K](#).

The resulting impacts were considered at a client level, with considerations for:

Potential earnings erosion the company could face related to the higher carbon price and reduced demand for fossil fuels.

We looked at how the evolution of technology and market preferences could drive changes in consumer preferences in relation to potential higher costs for offered goods and services, recognizing that the degree of pass-through cost increase varies by industry.

The company's likely resilience to these reduced earnings based on company-specific factors, including scale, jurisdiction, leverage and liquidity.

By adding these considerations, we integrated a view of how companies can take actions to reduce the financial impact from low-carbon transition.

A qualitative analysis of the company's transition aptitude based on the credibility of its low-carbon transition strategy,

including its emissions reduction targets, governance structures and emissions track record. In the pilot approach, companies with a credible low-carbon transition strategy avoid future carbon costs as they reduce their emissions.

The outcomes of this pilot exercise informed our initial understanding of the sensitivity of our internal risk ratings to transition risk and enhanced our understanding of the different methodologies and data needs for climate-based scenario analysis. We are working to further improve and scale our insights as we explore how to integrate the risks associated with a low-carbon transition into our risk management framework.

Going forward, we intend to undertake a deeper evaluation of leading physical climate models and data to enhance our analysis of the potential material impacts to clients, customers and our own operations. This will allow us to identify concentrations of physical risk and to further develop our risk management expertise in this area.

Our pilot studies are subject to ongoing change, and as we refine the approaches we are evaluating the long-term impacts and, where relevant, what potential mitigants to consider.

PHYSICAL RISK

Over the past year, we have analyzed concentrated exposures to physical climate risks in pilot studies.

For example, the CCB and CB have started to model the effects of sea-level rise on home lending and commercial real estate lending portfolios. These efforts have deepened our understanding of the potential financial impacts that such events could have on those portfolios and helped us begin to assess potential losses if sea-level changes make a property unusable or a home uninhabitable. As a lender we have been considering the potential geographical impacts in sample metropolitan areas that are particularly susceptible to the impacts of sea-level rise. Our work to this point has used National Oceanic and Atmospheric Administration scenarios of projected areas that will be impacted by sea-level rise from 1 to 10 feet, to assess property level impacts and inform our approach to understanding losses if rising sea levels were deemed imminent and were accelerating, subsequently driving home prices downward over 10 years. We are also exploring the need to assess longer-term consequences at the local level – such as forecast damage, localized recessions or mass community migrations – that may be exacerbated by climate change.

Additionally, we conducted an initial analysis of our home and commercial real estate lending exposure in California, exploring how economic, socioeconomic, pandemic and climate-related risks build on one another and could potentially impact the firm's credit portfolios in the state.

Mapping Our Path to Integrated Climate Risk Management

JPMorgan Chase is on a journey to integrate climate risk into our existing firmwide risk management framework. We have identified the following deliverables that will be used to define success:

- Enhance climate risk capabilities to include robust climate risk identification and scenario analysis
- Incorporate data and analytics to assess, monitor and measure climate risk
- Adapt existing risk management frameworks to incorporate climate-based transition and physical risks where appropriate
- Include, where relevant, climate risk in policies and standards to provide effective governance
- Evaluate representative stress scenarios across transition and physical risk to add to the firm's established scenarios

We will accomplish this by:

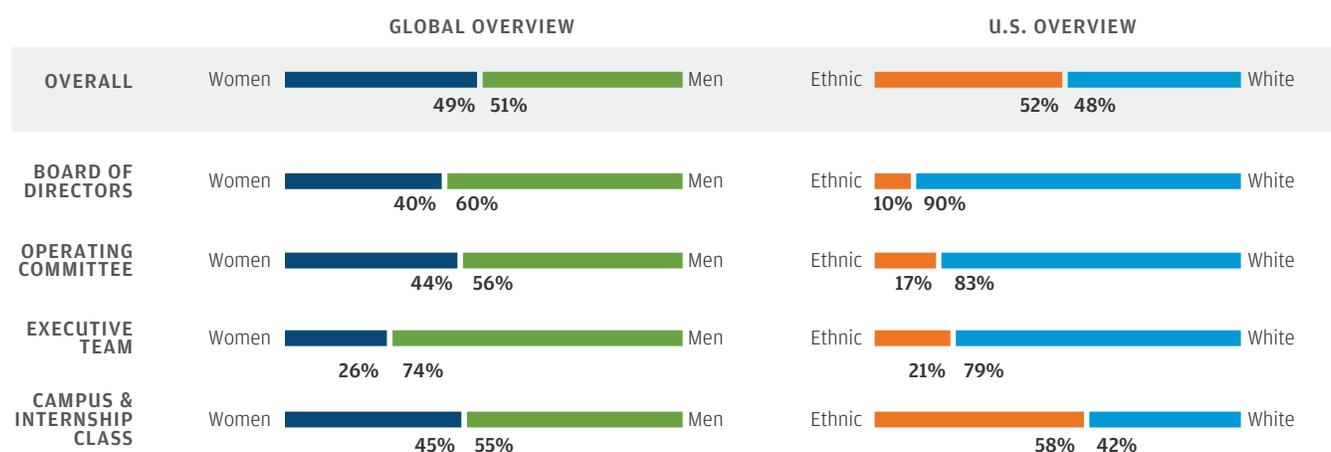
- Investing in talent, data and technology to support climate risk integration efforts
- Building out the Climate Risk Firmwide Risk Executive function to drive a transparent and scalable operating model that will enable all Risk Management functions managing some aspect of climate risk to own and execute their respective integration efforts
- Engaging with our clients and stakeholders proactively to inform the evolution and the ongoing incorporation of climate-related considerations into our portfolio risk assessments

Human Capital

At JPMorgan Chase, our people are integral to our success. Our human capital strategy is focused on attracting, developing and retaining the high-performing global, diverse workforce we need to deliver exceptional service and innovative solutions to our clients, customers and communities.

Globally, our firm had over 255,000 employees in 62 countries as of Dec. 31, 2020, with over 60% of those employees located in the U.S.

2020 Workforce Composition



Note: All information about Gender globally and Ethnicity in the U.S. is reported as a percentage of only those employees who self-identify in these categories. Ethnicity in the U.S. for the Executive Team is reported based on those U.S. employees who self-identify in these categories as a percentage of the total U.S. population that self-identified for purposes of EEO-1 reporting. Ethnic includes Asian, Black, Hispanic, Other Ethnicity. Ethnicity data is as of Dec. 31, 2020.

Creating a Culture of Diversity, Equity and Inclusion

We believe that a talent-driven company is a diverse one. We are working hard to drive a culture of diversity, equity and inclusion across everything we do – from how we serve our clients and develop products and services, to the ways we help communities and support our employees. To lead the development and execution of a holistic internal and external strategy for doing this, in 2020 we created the new position of Global Head of Diversity, Equity & Inclusion, which reports to the firm's Co-Presidents.

We know that our commitment to diversity, equity and inclusion must start within our own workplace, so we are taking steps to further incorporate diversity into how we recruit, train and develop our employees; create opportunities for their advancement; and foster an environment in which all of our employees feel they belong and can succeed.

As part of these efforts, we are taking actions to build a more diverse workforce, including establishing an executive accountability framework, which strengthens the way we incorporate diversity and inclusion priorities and processes into year-end performance evaluations and compensation decisions for senior executives. Additionally, we have implemented qualitative feedback on key leadership attributes to capture inclusive leadership behaviors.

Building on our existing anti-harassment awareness and diversity and inclusion training programs, in 2020 we rolled out a new mandatory firmwide training program, You Belong Here. The new program is designed to engage all our employees in understanding the firm's mission to strengthen our culture of diversity and inclusion and to identify ways everyone can contribute to creating this culture. During the year, over 250,000 employees completed the You Belong Here course. In addition, in 2020 approximately 25,000 employees participated in our unconscious bias and inclusion training program for managers, Journey to Inclusive Teams.

Support and Allyship for Diverse Employee Populations

We have a variety of longstanding initiatives, forums and programs designed to advance diversity and inclusion within our firm, while creating a sense of community and allyship for diverse employee populations.

Our Business Resource Groups (BRGs) are groups of employees who volunteer to serve as ambassadors to drive inclusiveness, mentor junior talent and help facilitate advancement opportunities while advancing our firm's position in the global marketplace. With approximately 43% of our employees participating in one of our 10 BRGs, they are the key firm culture carriers, providing a unique bridge between the organization and our people that helps drive firmwide diversity and inclusion strategies and connect employees to the firm's business priorities.

Our BRGs focus on providing support for various communities:

- Access Ability (employees with disabilities)
- Adelante (Hispanic / Latinx)
- AsPIRE (Asian / Pacific Islander)
- BOLD (Black)
- NextGen (early career professionals)
- PRIDE (LGBT+)
- Sage (administrative professionals)
- VETS (military, veterans and their families)
- Women on the Move Interactive Network
- Working Families Network

In addition to our BRGs, the firm's Asian, Black, Hispanic and LGBT+ Executive Forums, which bring together the senior leaders of these communities to act as ambassadors and thought leaders for firmwide initiatives, are another critical way we support and foster diversity and inclusion within JPMorgan Chase.

We also have dedicated branded strategies focused on specific communities not only within our workforce, but also more broadly in the communities we serve. These include the following:

- **Women on the Move (WOTM)** is our initiative to provide women with opportunities to succeed in their professional and personal lives. Initially launched in 2013 with a focus on career development for women within our firm, the program broadened in 2018 to also include women clients, consumers and the communities we serve. The program's key objectives are to expand women-run businesses, improve women's financial health and advance women's career growth. Within our own firm, the initiative is helping drive efforts to advance women's career growth and representation at all levels. For example, in 2020 WOTM rolled out Fast Forward, a development program that offers video courses, coaching sessions and small discussion groups to help women define and achieve their professional and personal goals. Nearly 2,700 participants registered in the first global cohort of the program. More than 25,000 employees participated in various WOTM-curated career development programs, events and volunteer groups during 2020.
- **Advancing Black Pathways (ABP)** seeks to leverage JPMorgan Chase's business and philanthropic resources to accelerate economic empowerment and opportunity for the Black community. Launched in 2019, ABP builds on the firm's existing efforts to help communities of color, by focusing on three key areas in which the Black community have historically trailed other ethnic groups: wealth creation, educational outcomes and career success.

As part of this effort, we created the ABP Fellowship Program, which is dedicated to helping Black college underclassmen get on a path to internships and entry-level roles with the firm after graduation. The inaugural 2019 class of 50 students worked on real-time business challenges for the firm's Business Banking clients in Plano, Texas; Columbus, Ohio; and Wilmington, Delaware. We have since expanded the ABP Fellowship Program to include 74 students in 2020 and more than 170 students in 2021. ABP is helping drive the firm's efforts to hire at least 4,000 Black students as apprentices, interns and full-time analysts by 2024; by the end of 2020, we were halfway to that goal. Outside the U.S., our efforts to provide opportunities for internships and early career support for Black students and employees include the ABP Coaching program in the U.K. and our Black Future Leaders program in Brazil.
- Our **Office of Disability Inclusion**, which was launched in 2016, drives consistent accessibility processes and standards across the firm so employees can receive the reasonable accommodations they need to perform their jobs. It also provides strategic direction on recruiting, hiring and advancing individuals with disabilities. Of the firm's U.S.-based employees, approximately 4% self-identified as having a disability. During the COVID-19 pandemic, we leveraged existing technology to deliver high-quality services to employees with disabilities working remotely. For example, we provided U.S. employees who are deaf and hard-of-hearing with live captioning for internal events, as well as CART (Communications Access Real-time Translation) services, a point-to-point delivery of the captions. We also shifted how we provide accommodations, by streamlining the process for requesting a medical-related health or technological accommodation.
- Our **Office of Military and Veterans Affairs**, established in 2011, drives our firmwide initiatives to position veterans, service members and their families for long-term, post-military success. Since 2011, JPMorgan Chase has hired more than 16,000 U.S. veterans, including over 890 in 2020. In 2020 this included

welcoming 105 new hires into our Military Pathways Development Program, which recruits exceptional veteran talent for rotational and direct-hire positions and provides comprehensive career development support. Other signature programs we offer to support veteran employees include the Pathfinder Veteran Mentoring program, which had nearly 600 active participants at the end of 2020, and the Veteran Manager Training program, which had over 400 participants in 2020. In addition, more than 2,000 veteran employees participated in a training series focused on career planning and promotion last year.

- ▶ The **Office of LGBT+ Affairs** is developing and driving a unified global strategy for the LGBT+ community. This new program will amplify and build on the success and work of our LGBT+ Executive Forum, as well as our PRIDE BRG. Our employees who have self-identified as LGBT+ increased by more than 21% over the past year. Our firm continues to receive recognition for various workplace equality benchmarks, such as our 100% score on the Human Rights Campaign Corporate Equality Index for the 18th consecutive year.

In addition, to help advance equity for the LGBT+ community more broadly, in early 2021 we announced a \$5 million commitment to five U.S.-based nonprofit organizations that are

helping break down barriers to inclusion for the most vulnerable members of the LGBT+ community. We are also engaged with LGBT+ organizations across the globe, including providing financial support to LGBT+ focused nonprofit organizations across various countries, with a number of these relationships dating back two decades.

- ▶ The **Office of Latinx Affairs** is implementing a unified global strategy to support the Hispanic and Latino communities. This new program will build on the success and progress of our Hispanic Executive Forum, Hispanic Leadership Forums and Adelante, our BRG for Hispanic and Latinx employees.
- ▶ In addition, in 2021, we plan to launch a program focused on supporting the **Asian and Pacific Islander (API)** community. The program will expand on the efforts of our Asian Executive Forum, as well as AsPIRE, our BRG for API employees.

See [page 34](#) for more on how the firm is advancing its commitment to diversity and inclusion and supporting communities of color across four key areas: Careers and Skills; Financial Health and Wealth Creation; Business Growth and Entrepreneurship; and Community Development.

Attracting and Retaining Top Talent

We are focused on attracting and hiring talented individuals in all roles and career levels, from internship programs for students to full-time positions for experienced professionals. During 2020, approximately two-thirds of the firm's 44,000 employment opportunities were filled by external candidates, with the remainder filled by existing employees.

To achieve diverse hiring and representation outcomes at all levels, diverse slates are an important consideration in our comprehensive recruiting efforts, and we track and monitor data about the use of diverse slates accordingly. In hiring new employees in the U.S., recruiters and managers are expected to consider a diverse slate of candidates of no less than one woman and one U.S. ethnically diverse candidate. Globally, diverse slates are defined as including no less than one woman. We continuously monitor our progress to determine where adjustments or other modifications need to be implemented.

Our public reporting on workforce representation, including consolidated EEO-1 and related data, can be found in our [Workforce Composition Disclosure](#).

Skills-based Volunteerism

We provide employees with opportunities to develop and apply their skills to support communities and causes that are personally important to them – amplifying the impact of both the firm's philanthropic efforts and the work of our nonprofit partners. Through our signature skills-based program, the Service Corps, nearly 220 global employees volunteered their skills and expertise for consulting projects – delivered virtually, due to the COVID-19 pandemic – that helped nearly 50 nonprofits expand their impact in 2020. In addition, during the year we delivered 138 sustainable technology solutions for nonprofits, with more than 1,300 employee volunteers contributing over 38,000 hours of their time through our Force for Good program. Our employees put their expertise to work to support the communities we serve in many other ways during the year as well. For example, over 120 JPMorgan Chase employees globally used their professional experience to mentor minority-led small businesses through our Founders Forward program.

Early Career Talent Pipelines

We know that having a strong pipeline of diverse future leaders is essential to creating a more representative workforce. In 2020, through our campus recruiting efforts, we hired 3,200 full-time analysts and associates and 3,500 summer interns. Of the firm's campus hires globally that self-identified, 50% self-identified as women across both groups. Of the U.S.-based campus hires, 18% self-identified as Black, 14% as Hispanic and 26% as Asian. In addition, to help us build our pipeline, we leverage a number of Emerging Talent programs and pipelines focused on recruiting and training cognitively, experientially and representatively diverse talent that is often underrepresented in typical talent channels. In 2020, approximately 1,500 individuals participated in one of the more than 90 Emerging Talent programs we operate around the world. In the U.S., where diversity data was available, 63% of the individuals hired through our Emerging Talent programs self-identified as Black or Hispanic.

As part of these programs, JPMorgan Chase partners with nonprofit organizations, workforce development programs, bootcamps and other talent sources to train, hire and develop underrepresented talent through internships, apprenticeships and direct-to-full-time programs. For example, as a member of the recently formed NY Jobs CEO Council, we are partnering with employers across New York City to foster collaboration among business, education and community leaders to prepare New Yorkers in diverse, low-income communities for the future of work and to meet employer needs. Through this initiative, we will work with fellow employers to create economic opportunity for New Yorkers by collaborating closely with educational institutions as well as community and nonprofit organizations to help maximize our collective impact on students and workers in New York.

Skills-based Hiring

As part of our commitment to broadening the applicant pool for opportunities within our firm and building a diverse workforce, we take a skills-based approach to hiring for many jobs. This means we are proactively evaluating degree requirements for roles and, where appropriate, focusing on the skills of job candidates rather than degrees held. To support this, we are increasingly partnering with community colleges and looking to apprenticeship programs, bootcamps and other training programs to source the talent we need.

In addition, we are taking steps to broaden our applicant pool by actively working to reduce barriers to employment for individuals with criminal backgrounds. In 2020, our firm hired approximately 2,100 individuals with criminal histories – approximately 10% of our new hires in the U.S. Through our Second Chance hiring initiative, we are collaborating with community and legal services organizations to develop a pipeline of potential employees to fill open roles and grow with the firm. Learn more about how JPMorgan Chase is advancing policies and partnering with nonprofits and a cross-sector group of employers to create more workforce opportunities for individuals who need a second chance on [page 37](#).

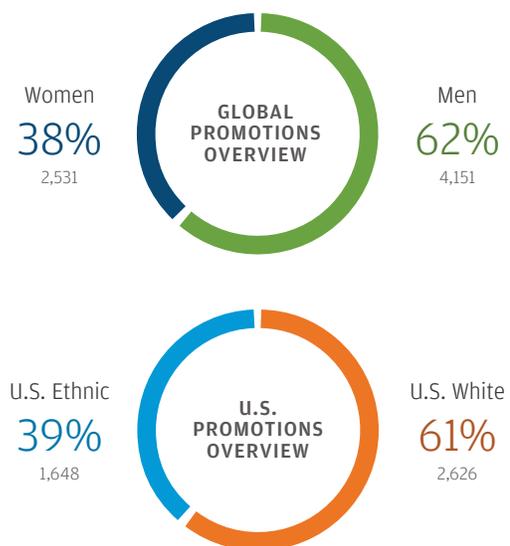
Developing Our Employees

Supporting our employees' professional development and career growth is core to our human capital strategy. We invest approximately \$200 million in employee training each year, including structured mandatory curricula for new hires and existing employees, along with a range of training programs focused on topics from leadership development and technology to risk and compliance and business processes. We delivered over 7 million hours of training globally in 2020.

We are committed to developing a strong, diverse bench of talent across the firm, with a dedicated focus on the pipeline for our senior leadership positions. Our global leadership development program, Leadership Edge, helps train managers and leaders to drive results, support their teams, lead inclusively and grow talent. Since the program's launch in 2015, 73% of our approximately 40,000 managers have attended one or more Leadership Edge programs; in 2020, we achieved global attendance of approximately 19,000 across Leadership Edge programs, which were delivered almost entirely virtually.

We are also committed to internal mobility across the firm, with approximately one-third of all positions filled with internal candidates and over 20% moving across lines of business or functions in 2020. In addition, over 75% of senior-level positions were filled internally during 2020. Below is the composition of our employees who were promoted in 2020.

2020 Promotion Data



Note: All information about Gender globally and Ethnicity in the U.S. is reported as a percentage of only those employees who self-identify in these categories. Promotion data is for Vice President-level and above.

Upskilling and Reskilling

Over the past few years, our firm has significantly expanded our efforts to help ensure all our employees have access to the training and education they need to prepare them for the future of work and pursue roles within our firm.

Our strategy is driven by the recognition that investing in upskilling and reskilling our existing employees – who already know our culture and are committed to our company – to help them adapt to changes in our business is the most effective and efficient way we can ensure we have the talent we need to compete. Equally important, it is among the most impactful ways we can put our commitment to diversity, equity and inclusion into action. Our firm's front-line and entry-level employees, whose roles are most vulnerable to technological disruption, are disproportionately women and diverse. By taking proactive steps to create meaningful and accessible opportunities for career mobility, we are strengthening our culture of diversity and inclusion.

One way we are doing this is by rolling out a novel program for our employees to access tailored educational pathways. Through the new learning platform launched in 2020, employees can self-evaluate against capabilities that help them identify developmental opportunities and increase their knowledge and skills for aspirational roles in their career development plans. Employees receive a personalized learning journey in support of their career goals through internal learning programs or through external

educational organizations that offer low- or no-cost credentials, certificates or degree programs. Unlike traditional reimbursement programs in which employees are typically left to identify and determine the appropriateness of external programs on their own, JPMorgan Chase has worked closely with our education providers to co-develop programs that are designed to prepare employees for new jobs in growing roles at the firm.

Learn more about how our firm is working to help our own employees, and also members of the communities we serve, develop skills and build careers in a rapidly changing economy on [page 35](#).

Talent Redeployment

Our firm has a longstanding process to redeploy eligible employees – primarily individuals impacted by a reduction – to open internal positions. This is a key way to both retain talented people and promote a diverse workforce. When the pandemic struck in 2020, we quickly put this process into action to identify and redeploy not only employees whose roles were at risk due to changing business demands, but also those at higher personal risk for COVID-19 in need of roles they could perform remotely. During the year, we used talent redeployment to find new opportunities for more than 350 employees.

Supporting and Rewarding Our Employees

We are committed to providing compensation and benefits programs and policies that support the needs of our employees and their families. For example, we have made a series of increases to wages for our full- and part-time U.S. hourly paid employees in recent years. In January 2021, we raised minimum base pay for U.S. overtime-eligible employees to between \$16 and \$20 per hour, depending on the local cost of living. This is in addition to the comprehensive benefits package the firm offers that is valued, on average, at approximately \$13,700 per employee for this population.

We offer a comprehensive U.S. benefits and wellness package to our employees and their families, including health care coverage, retirement benefits, life and disability insurance, on-site health and wellness centers, employee assistance programs, competitive vacation and leave policies, backup childcare arrangements, tuition reimbursement programs, mental health counseling and support, financial coaching and more. We direct our benefit spend toward lower-wage earners, including higher insurance subsidies and lower deductibles in the medical plan and a \$750 special award to employees earning less than \$60,000.

In 2020, we launched My Finances and Me, a financial well-being employee benefit that includes unlimited one-on-one financial coaching with certified financial planners for U.S. employees. Fully paid for by the firm, the benefit includes a financial wellness assessment to help employees prioritize their goals, a website with a number of tools and resources, and group education sessions.

Last year, we also introduced Coping Connections, a virtual forum to bring colleagues together to talk about how they are managing during the pandemic. The program is part of the firm's disability inclusion and well-being strategy, which includes a focus on supporting employees' emotional and mental health.

Supporting Our Employees During the COVID-19 Pandemic

In response to the COVID-19 pandemic, we have taken a variety of steps to protect and support the well-being of our employees. We implemented alternative work arrangements that enabled most employees globally to work from home. We also awarded over \$100 million in special payments to support employees with roles that are better performed on-site, with a focus on those with compensation less than \$60,000 per year.

In addition, we enhanced our paid time off policy for employees who contract or are exposed to COVID-19 or who need time to manage personal needs. For employees who are higher risk and cannot do their job from home, we have provided an extended leave and have helped many employees find project-based work that can be done while working from home. Additionally, to support our U.S. employees and their families, we provided more days of backup childcare, discounts for virtual tutoring and full-service childcare at our 14 childcare centers. To support mental well-being, we have doubled the number of covered employee assistance sessions per issue and launched virtual forums with mental health clinicians.

Sick and Time-Off Policies

To support the health and well-being of our employees, the firm provides all U.S.-based employees with paid sick leave each year that is available for numerous health and safety reasons. Employees receive up to 56 hours of paid sick time each year through various accrual methods, or more as required under state or local law, up to 96 hours.

The firm also provides most full-time and part-time employees with three paid personal days each calendar year and provides three to five weeks of paid vacation annually, based on job grade and years of service.

Working Parents and Family Building

We offer paid parental and adoption leave providing 16 weeks of fully paid parental leave for employees who are primary parental caregivers and six fully paid weeks for nonprimary parental caregivers following the child's birth, adoption placement or foster placement with intent to adopt. We also provide family building assistance to help employees with the high costs of adoption, surrogacy and fertility expenses, including up to \$10,000 per child in eligible adoption expenses and up to a \$30,000 lifetime maximum for surrogacy and fertility expenses. In addition, we have flexible work options to support parents and others who need alternative work schedules, and we provide backup childcare in many markets and other assistance to working parents. And, to support nursing mothers, we have a lactation consulting program and breast milk shipping options for our employees who are traveling overnight for business purposes.

Pay Equity

We conduct periodic pay equity reviews covering employees at all levels within the firm. In 2020, in aggregate, women globally were paid 99% of what men were paid and U.S. ethnically diverse employees (defined as Equal Employment Opportunity Commission classifications other than white) were paid more than 99% of what white employees 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 and ethnically diverse employees still are not represented in as many senior management positions as are men and white employees. Despite the significant progress we have made, we are taking a variety of actions focused on hiring, retaining, developing and advancing women and ethnically diverse employees, especially at more senior levels.

Customer Service

As a global financial institution, we never lose sight of our main mission: serving our customers and clients. Through our four lines of business, JPMorgan Chase serves 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. We know that earning the trust of our customers and helping them achieve their goals is what has and will continue to enable our company to stand the test of time.

This section focuses principally on our approach to customer service within our CCB business, which serves consumers and small businesses across the U.S. under the Chase brand. See [page 41](#) for more on how we help our customers, and members of the communities we serve, strengthen their financial health and [page 38](#) for more on how we provide capital and resources to support small businesses and entrepreneurs.

Treating Customers Fairly

Building deep and lasting customer relationships requires that we treat our customers fairly, communicate with them transparently and deliver our products and services in an inclusive way that respects and reflects the diversity of the customers we serve. We do this in part by striving to cultivate a customer-focused culture in which our employees are encouraged to, and rewarded for, doing right by our customers. We have also developed internal policies and procedures aimed at simplifying our disclosures and communications, aligning our sales practices with our customers' interests and protecting customers from financial abuse and discrimination. In addition, we have taken a range of steps to ensure that our commitment to diversity, equity and inclusion is more firmly embedded in how we design and deliver products and services to our customers.

Acting in the Best Interest of Our Customers

Our objective 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. Any advice our employees provide should be consistent with customers' goals and appropriate for their situations. In every transaction, the employee must aim to meet the individualized needs of our clients and customers.

Every year, we educate our bankers on our customer-centered policies, procedures and controls. We also maintain performance metrics tied to these requirements, which are used to evaluate bankers' performance. We have robust governance and oversight of adherence to our policies and procedures. Oversight of sales practices, including sales-related incentive compensation plans, is performed by the line-of-business Culture and Conduct Committee or another appropriate forum. Lines of business must review and approve at least annually any incentive plans that relate to customer-facing sales activity, or that impact direct sales activity, to identify and mitigate any potential conflicts or risks they may present.

We regularly review various aspects of sales practices, including sales culture, incentive plans, controls assessments and feedback received from customers and employees through multiple channels, including our employee Conduct Hotline. Taking all of this feedback into account helps mitigate risk, safeguard our reputation and align employee performance with the best interests of our customers.

Putting Diversity, Equity and Inclusion at the Center of How We Serve Our Customers

We believe that the long-term growth and success of our firm depends both on having a diverse workforce that reflects the customers we serve and on developing and delivering products and services in a way that is inclusive, equitable and respectful of our customers. We have taken a range of steps in recent years to review our policies, procedures and programs to help ensure they are fair for all our employees and customers. As a result, we found we could further improve the tools bank managers use to monitor employees' decisions about customer eligibility for certain products and benefits to help ensure fair access. We also simplified our process for managing customer complaints and flagging serious concerns for direct senior management review.

We continually look for ways to make our products and services accessible to more customers. For example, in January 2020, Chase opened its first bank branch for customers who are deaf and hard-of-hearing. Located in Washington, D.C., near Gallaudet University – one of the world's most prominent universities for students who are deaf or hard-of-hearing and a major center of the American Sign Language (ASL) community – the new branch has been designed to be a visual branch for the ASL community and to provide full-access accommodations for the deaf community as well as for employees who are deaf.

Being Clear and Transparent in Our Marketing and Communications

We want our customers to make informed choices about their finances and banking options, and we aim to empower them to do so by providing transparent information about our products and services. When conducting sales on behalf of our firm, employees are expected to communicate with customers in a clear, truthful and complete manner and to provide them with relevant information to make an informed decision.

Our lines of business are required to have an established procedure for reviewing all new and revised marketing materials, terms and conditions, disclaimers and other customer communications to make sure they are fair, clear and not misleading – as well as in accordance with applicable regulations and requirements.

Protecting Elder and Vulnerable Populations from Financial Abuse

We continue our work to increase awareness about financial abuse affecting both elder and vulnerable populations and to provide resources to help our customers and employees identify and report scams and exploitation. Through a recent collaboration with the AARP Foundation, we are helping older adults learn how to protect themselves and their loved ones, as well as to leverage digital technology to better monitor their finances. We look for innovative solutions to protect our customers using data analytics, and we are concentrating on ongoing training and communication with our front-line employees. Starting in 2021, we will require all front-line branch staff to take AARP's BankSafe training to better spot attempted exploitation of older customers and help coach those customers on how to stay safe. We support and work with regulators, law enforcement, nonprofit organizations, advocacy groups and others to explore strategies and best practices for combating financial abuse of elder and vulnerable customers.

Listening and Responding to Our Customers

We believe that the best way to grow our business is to treat our customers well, which is why we are focused on delivering a great customer experience. We teach these principles through employee training, we measure our success through customer feedback and we make sure our products and services keep up with changing customer needs. We also regularly review and look for ways to make it easier for customers to navigate the full range of products and services we offer.

We regularly engage with customers, consumer groups and other stakeholders with a goal of developing products, services and approaches that are responsive to their needs and address the issues that matter most to them. We have established forums, known as Chase Advisory Panels, for local, regional and national stakeholders to share with our senior executives their perspectives on community development needs as well as public policy and regulatory issues. In addition, we conduct hundreds of meetings annually with community-based organizations.

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

Serving Low- and Moderate-Income Customers

Our firm works to serve all customers, including traditionally underserved people and their communities. We offer products and services that provide safe, high-quality and affordable ways to access banking services and improve financial health. One example is Chase Secure BankingSM, a low-cost, low-fee account geared toward people new to banking or who have had trouble getting or keeping an account in past. We are also expanding our branch presence in low- and moderate-income communities across the country – and are stepping up resources we make available at these branches to help improve financial health with workshops like Chase Chats and advice (see [page 42](#)). In addition, we are taking steps to make homeownership more accessible in low- and moderate-income communities, including recently increasing our Homebuyer GrantSM to up to \$5,000 to help customers with down payment assistance (see [page 44](#)).

Protecting Customer Privacy and Data Security

Protecting our customers' personal and financial information and handling it responsibly is a top priority for our firm. We have robust internal controls, policies and security measures designed to keep this information safe, and we require that third parties, such as our suppliers and vendors, preserve our high standards and protections for data.

Customers need to know what we are doing with their personal information. We strive to provide them with clear, user-friendly explanations of our privacy practices, including how we collect, share, use and protect their information, and what choices they can make to limit the sharing of personal information. If we market our products and services in a language other than English, we provide our privacy notices and all other pertinent disclosures in that language as well. We let customers know in advance if we plan to make material changes to our privacy policies through a variety of channels, including by email and through our secure message center.

We safeguard personal information through a wide range of technological, administrative, organizational and physical security measures. In addition, our Code of Conduct and related policies

for ethical business conduct include specific guidelines about how employees should safeguard customers' confidential information. As noted in our [California Consumer Privacy Act \(CCPA\)](#) disclosure, we do not sell personal information as contemplated by the CCPA.

We have a formal privacy incident management process in place to respond to any suspected or actual incident involving unauthorized access to or disclosure of personal information, its availability or an impact to its integrity. Our centralized process requires escalation to a dedicated Incident Response Team for mitigation, severity assessment, root cause analysis and corrective actions. We notify impacted individuals of privacy breach incidents in accordance with applicable state or federal law, as well as when we believe that the incident represents a risk to the impacted individuals or others associated with them, even where a law might not require notification. Any material issues, including data breaches, are disclosed in our quarterly and annual regulatory filings.

We are always investing in enhanced data privacy and security solutions to safeguard information. See [page 13](#) for more on our approach to cybersecurity.

Supporting Our Customers During the COVID-19 Pandemic

We know that many of our customers have faced – and continue to face – financial challenges and hardship as a result of the COVID-19 pandemic. During 2020 and into 2021, our firm has taken a range of steps to provide payment assistance and refund or waive certain fees for those who need help.

For example, we offered customers the option of delaying monthly credit card payments if they told us they were affected and needed help, and refunded any associated late fees. We also allowed customers to delay their monthly payment on their auto loan or leases, waiving any associated late fees, and gave customers the option to extend their auto lease maturity date past the original termination date for up to an additional six months. Additionally, we offered customers the chance to delay monthly mortgage or home equity payments for an initial period of up to three months with the option to delay additional payments, waiving any associated late fees and suspending foreclosure activity during the assistance period.

By the end of 2020, we had provided customer assistance to over 2 million accounts, including delaying payments and refunding fees across our business banking, home lending, credit card, deposit, and auto lease and loan accounts.

Operational Sustainability

Minimizing the environmental impact of our physical operations is an important part of our overall sustainability strategy. Doing so supports our commitment to operating responsibly, enhances the resiliency of our firm and reduces costs. Given the nature of our business, our direct environmental impacts stem primarily from the operation of our more than 5,500 corporate buildings, bank branches and data centers.

This section focuses on the operational components of our sustainability strategy. For more on how we are managing the environmental and social risks associated with our financing activities, see [page 14](#); for more about how we are helping accelerate the transition to a low-carbon economy, see [page 47](#).

Our Operational Sustainability Targets

We have developed the following targets to drive progress on operational sustainability:

 <p>Maintain carbon neutral operations annually, starting in 2020</p>	 <p>Source renewable energy for 100% of our global power needs annually, starting in 2020</p>	 <p>Reduce Scope 1 and Scope 2 greenhouse gas emissions by 40% by 2030 vs. a 2017 baseline</p>
 <p>Satisfy at least 70% of our renewable energy goal with on-site renewable energy and off-site long-term renewable energy contracts by 2025</p>	 <p>Transition our entire owned fleet of vehicles to electric vehicles by 2025</p>	 <p>Reduce global water consumption by 20% by 2030 vs. a 2017 baseline</p>
 <p>Reduce office paper use by 90% by 2025 vs. a 2017 baseline</p>	 <p>Purchase 100% of our paper from certified sources by the end of 2021</p>	 <p>Divert 100% of e-waste from landfills</p>

Achieving Carbon Neutral Operations

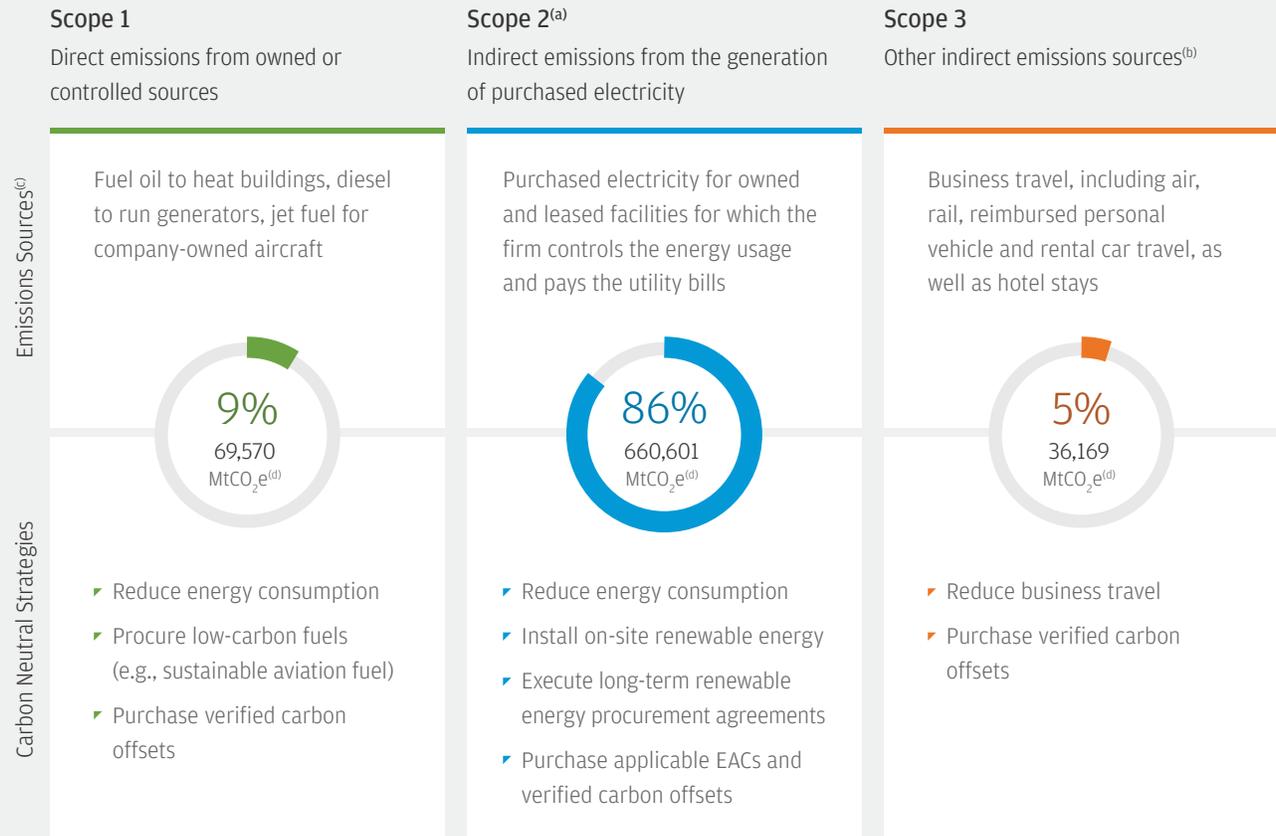
In 2020, we committed to become carbon neutral across our operations. Our commitment includes Scope 1 (direct) greenhouse gas (GHG) emissions from building operations and company-owned aircraft and vehicles; Scope 2 (indirect) GHG emissions from purchased electricity; and Scope 3 (indirect) GHG emissions associated with business travel. We are committed to maintaining carbon neutral operations each year going forward.

Our strategy to achieve – and maintain – carbon neutral operations is focused on the following:

- **Improving efficiency.** Reducing the amount of energy we use is our first priority; we have undertaken a range of energy efficiency measures across our operations and plan to implement additional improvements in the coming years.
- **Sourcing renewables.** Next, we are focused on installing on-site renewable energy systems at JPMorgan Chase properties and executing long-term renewable energy procurement agreements (e.g., Power Purchase Agreements and green power supply contracts).
- **Purchasing Energy Attribute Certificates (EACs) and carbon offsets.** Finally, for the remainder of our direct and indirect emissions, we are purchasing applicable EACs (e.g., Green-E certified Renewable Energy Certificates [RECs], International-RECs) and verified carbon offsets (see [page 31](#)).

Our 2020 Operational GHG Footprint

JPMorgan Chase's operational GHG footprint stems from two primary activities: powering our buildings (e.g., electricity, heating and cooling) and business travel. Scope 2 emissions, from purchased electricity, are the largest driver of our building-related emissions and overall operational GHG footprint. The majority of our business travel-related emissions are Scope 3 emissions from commercially operated air and rail; reimbursed personal vehicle and rental car travel; and hotel stays. A small portion of our business travel emissions are Scope 1 emissions from company-owned aircraft and vehicles.



- (a) Scope 2 emissions are location based
 (b) Includes business travel
 (c) List is not exhaustive
 (d) Metric tons of carbon dioxide equivalent

Buildings, Branches and Data Centers

The largest contributor to our operational GHG footprint is purchased electricity, which is why our strategy for carbon neutral operations is principally focused on reducing energy use and sourcing renewable energy. To that end, in 2017, we set a goal to source renewable energy for 100% of our global power needs on an annual basis, beginning in 2020. We met our goal in 2020 by generating and purchasing renewable energy and corresponding EACs in an amount equivalent to the total megawatt hours (MWh) of electricity that our firm consumed globally throughout the year.

We intend to maintain our commitment to carbon neutral operations – and to do so in a way that maximizes positive impact. Moving forward, we will continue to support the development of renewable energy, including by installing on-site renewable energy systems and executing long-term renewable energy procurement agreements. We have set a goal that these solutions will make up 70% or more of our renewable energy procurement, with the remainder satisfied by applicable EACs. In parallel, to drive progress in efficiency and reduce our energy use, in 2021 we announced a new target to cut our Scope 1 and Scope 2 (location-based) emissions by 40% by 2030, over our 2017 baseline.

Highlights of our efforts include the following:

- **Energy efficiency.** We have implemented a number of efficiency measures across our operations. For example, we have installed LED lighting systems at approximately 4,300 branches and 50 commercial offices, reducing lighting-related electricity consumption at each building by an estimated 50%. We have also installed energy-efficient building management systems at over 3,400 branches to better control and monitor energy use at each location. In addition, we recently piloted an artificial intelligence-based building management system overlay, which will provide real-time data and insights to help us further reduce our energy use and GHG footprint of our commercial buildings.
- **On-site renewable energy.** Since 2017, we have installed on-site solar generation systems across our global operations, where feasible. This includes installing approximately 30 megawatts (MW) of solar capacity across 900 branches, which are expected to provide about 35% of each location's power needs. In addition, during 2020 we began installing an additional 12 MW of carport solar capacity at our corporate campus in Columbus, Ohio. Combined with the existing rooftop array, the site will have approximately 14.8 MW of solar capacity and will be able to generate about 75% of its annual power needs. We also recently completed construction of a 2 MW solar array at our Bournemouth, England, campus, which, in combination with thermal energy storage, provides enough energy to power the entire campus during the day. All told, we currently have plans to install 40 MW of solar capacity across our corporate office buildings in the U.S. and the U.K.
- **Off-site renewable energy.** Throughout the past year, we signed additional long-term agreements to purchase renewable energy. For example, in 2020 we collaborated with Brookfield Renewable to purchase electricity from hydroelectric sources equivalent to the amount needed to power over 500 facilities, or 90% of our operations, in New York state. This project also pilots an innovative, blockchain-based technology that will match our electricity demand across the state with power generated from Brookfield Renewable's hydroelectric facilities in real time.

We also collaborated with Algonquin Power & Utilities Corp. on the development of a 108 MW, 22-turbine wind farm in Lee County, Illinois, that will bring almost 350,000 MWh of clean energy to the U.S. grid per year. JPMorgan Chase will purchase approximately 70% of the wind farm's energy output, equivalent to about 14% of our energy needs globally.

Business Travel

Business travel represented approximately 5% of our operational GHG emissions in 2020. During the year, our firm's business travel was significantly reduced compared to previous years due to the COVID-19 pandemic and, going forward, our objective is to minimize travel when possible by leveraging virtual technology. When we do travel, we aim to reduce our emissions by leveraging lower-carbon options, including by transitioning our entire owned vehicle fleet to electric by 2025. For the remainder of our travel-related emissions, we will purchase verified carbon offsets. In 2020, we expanded the scope of business travel we report – and offset – beyond commercially operated air and rail to include reimbursed personal vehicle and rental car travel, as well as hotel stays.

Another way we are working to leverage lower-carbon solutions for our business travel is by seeking to accelerate investment in sustainable aviation fuels (SAF), which have the potential to reduce the carbon intensity of flying by more than 80% compared with conventional jet fuel. In early 2021, we became a founding member of the Sustainable Aviation Buyers Alliance, an initiative working to establish a SAF certificate trading system, which will enable companies like ours that are unable to directly purchase SAF to buy the resulting emission reductions for use toward our sustainability goals – ultimately increasing the demand signal to the SAF market and incentivizing the production of more SAF. In addition, to further demonstrate our support of and demand for SAF, JPMorgan Chase's corporate flight department helped bring one of the first truckloads of SAF to the Greater New York metropolitan area – making us the first company to partner with our aviation fuel supplier to take such a delivery of SAF.

Our Approach to Carbon Offsets

Carbon offsets are an important tool that enables companies to invest in projects that reduce GHG emissions and, in many cases, create valuable social and community co-benefits. At JPMorgan Chase, we purchase offset credits to address emissions that we are unable to abate through efficiency improvements or other measures. We purchase offset credits that have been certified by accredited third parties, which means they are real, additional and independently verified. We also strive to source offset credits that are generated from projects located in areas where JPMorgan Chase has a presence, and that have additional co-benefits.

Reducing Waste and Sourcing Responsibly

Responsible resource and waste management are important elements of our sustainability strategy, helping us reduce our impacts while improving efficiency and reducing costs. Our focus is on reducing our water and waste footprint, coupled with responsible disposal of the waste we produce. To drive progress in these areas, in 2021 we set new targets to reduce our water consumption by 20% by 2030 and internal paper use by 90% by 2025 compared with 2017 baselines. And we have also committed that by the end of 2021 we will source 100% of our paper from certified sources, meaning the products come from responsibly managed forests that provide environmental, social and economic benefits. We work to recycle paper, as well as non-paper waste, throughout our buildings and branches where recycling services are available and economically feasible. We are working to optimize existing recycling services, expand such services to new

locations and explore opportunities to bring composting services to more of our corporate locations with cafeterias. We also carefully select vendors to dispose our e-waste responsibly, with 100% diverted from landfills.

We recognize that the environmental and social impact of our operations extends to our suppliers. As such, we seek to do business with suppliers that share our values and commitment to making a positive impact in the communities where we operate. We encourage our suppliers to develop internal programs, as well as targets, to foster a culture of sustainability. We expect them to conduct their operations in a manner that protects the environment by making reasonable efforts to meet industry best practices and standards with respect to the reduction of energy use, GHG emissions, waste and water use.

ENVIRONMENTAL DATA

	2020	2019	2018	2017
Global employee headcount	255,351	256,981	256,105	252,539
Rentable square feet ^a	58,940,565	57,205,977	57,584,466	58,140,356
GHG Emissions (MtCO₂e)^b				
Scope 1 – direct^c	69,570	81,655	83,101	78,229
Natural gas	39,332	46,183	46,488	40,696
Propane	149	283	276	233
Fuel oil	2,994	2,471	3,323	3,081
Jet fuel	4,013	8,323	8,412	8,916
Fugitive emissions	23,082	24,395	24,602	25,303
Scope 2 (location) – indirect	660,601	692,299	739,458	770,704
Purchased electricity	656,414	686,626	731,120	763,828
Purchased steam and chilled water	4,187	5,673	8,338	6,876
Total Scope 1 and Scope 2 (location)	730,171	773,955	822,559	848,933
Scope 2 (market) – indirect	4,187	556,142	572,067	596,843
Purchased electricity	-	550,469	563,728	589,967
Purchased steam and chilled water	4,187	5,673	8,338	6,876
Total Scope 1 and Scope 2 (market)	73,757	637,798	655,167	675,073
Scope 3 (category 6 – business travel)	36,169	181,004	176,356	187,020
Total emissions: Scope 1, 2 (market) and 3	109,926	818,802	831,524	862,092
Verified carbon offset emissions reductions	109,926	189,327	184,769	175,155
Net emissions: Scope 1, 2 (market) and 3	-	629,474	646,755	686,937
Renewable Power (MWh)				
Electricity production (on-site solar and fuel cells)	17,172	7,743	13,290	6,472
Contractual instruments ^d	1,679,213	380,901	375,280	370,801
Proportion of power use from renewable sources (production and instruments)	100%	22%	22%	21%
Energy Consumption (MWh)				
Direct Energy				
Natural gas	216,862	254,794	256,623	224,119
Propane	692	1,314	1,281	1,081
Fuel oil	2,013	9,849	13,248	12,283
Jet fuel	14,965	31,833	32,172	33,447
Indirect Energy				
Purchased electricity	1,693,143	1,759,170	1,787,344	1,823,121
Purchased steam and chilled water	15,052	25,317	37,143	30,645
Total	1,942,728	2,082,277	2,127,812	2,124,697
Water Consumption (m³)				
U.S. operations ^b	5,035,089	5,091,865	5,731,976	5,611,797

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

^b Scope 1, 2 and 3 emissions and water consumption have been verified by a third party. See [ESG Report Appendices](#) for verification statements. Other data has not been subject to external verification.

^c Scope 1 emissions include emissions from corporate air travel. In 2020, business travel-related emissions from reimbursed personal vehicle and rental car travel, and hotel stays, were added to the scope. In 2019, rail travel was added to the scope. In previous years, only commercial air travel was included.

^d Contractual instruments include RECs from the Buckthorn wind farm PPA, Bengaluru Physical PPA, U.K. renewable energy guarantees of origin (REGOs), Brookfield NY renewable electricity supply procurement, EMEA renewable electricity supply procurement and Mumbai solar and wind tariff.



How We Put Our Business to Work for Our Stakeholders

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Driving an Inclusive Recovery

JPMorgan Chase believes that our firm has a responsibility to harness our business and policy expertise, research, data, talent and global presence to help create greater economic opportunity for more people. The COVID-19 pandemic has caused unprecedented health and economic consequences, and also exacerbated the racial inequities around the world. This means that there is a need to drive an inclusive recovery that breaks down barriers and creates and sustains more widespread opportunity.

To support our communities, customers and employees, we are focusing on key drivers of economic growth: building careers and skills; fueling business growth and entrepreneurship; strengthening financial health and wealth creation; and catalyzing community development. Our firm has a number of longstanding initiatives aimed at strengthening these pillars of opportunity, but the pandemic, coupled with the global reckoning on systemic racism, demanded greater and accelerated change. That is why in October 2020 we committed an additional \$30 billion over the next five years to advance racial equity. Progress will be tracked regularly and shared with senior leadership across the firm, as well as externally with the Chase Advisory Panel, to assess performance and hold the business accountable.

Our firm is also leveraging our business and expertise to advance the transition to a lower-carbon economy and a more sustainable future. This includes aligning key sectors of our financing portfolio with the goals of the Paris Agreement, which aims to limit the average global temperature rise to well below 2.0 degrees Celsius above preindustrial levels to avoid the most serious consequences of climate change. We are also helping our clients execute on their sustainability strategies, decarbonize and raise capital to develop and scale new, greener technologies and industries. In 2020, we facilitated more than \$220 billion in transactions that advance sustainable development, including more than \$55 billion toward green initiatives (see [page 52](#)).

Advancing Racial Equity

Building on our existing investments, in 2020, JPMorgan Chase committed an additional \$30 billion – which will include loans, equity and direct funding – over the next five years to address key drivers of the racial wealth divide and provide economic opportunity to underserved communities, especially the Black and Latinx communities. Our efforts are focused on:

- ▶ Promoting and expanding affordable housing and homeownership in underserved communities
- ▶ Growing Black- and Latinx-owned businesses
- ▶ Improving financial health and access to banking in Black and Latinx communities
- ▶ Accelerating investment in our employees and building a more diverse and inclusive workforce

To support these efforts, we are drawing on the work of the JPMorgan Chase *PolicyCenter* and the JPMorgan Chase Institute to develop and support data-driven public policies that bolster an inclusive recovery and advance racial equity. And, alongside the work of our business, JPMorgan Chase will provide \$2 billion in philanthropic capital as part of the \$30 billion commitment to support these efforts. This will include an emphasis on supporting Black- and Latinx-led organizations.

Learn more about our commitment at [Our Path Forward](#).

\$30 billion

commitment to address key drivers of the racial wealth divide

Building Careers and Skills

Accelerating changes in technology, automation and artificial intelligence means that the future of work is now. To better connect adults and young people to well-paying jobs in a transformed economy and labor market, education and training systems need to adapt and innovate to meet current and future skill demands. Responding to these changes is all the more urgent in light of the COVID-19 pandemic, which has worsened persistent racial inequities in the labor market that have led to significant disparities in opportunity and wealth building around the world.

Building on our firm's global effort to prepare people for the future of work – New Skills – in 2019, we expanded on the initial \$250 million commitment we made in 2013 with a new \$350 million, five-year commitment focused on creating economic mobility and career pathways for underserved populations. That meant that, when the pandemic hit in 2020 – and disproportionately impacted the workers of color who are overrepresented in the hardest-hit sectors and front-line roles – we were able to quickly mobilize to get resources to our longstanding nonprofit partners so they could provide support to vulnerable individuals.

Through New Skills, JPMorgan Chase is leveraging our business, data and expertise; making targeted philanthropic investments; and advancing policy solutions to promote job stability and career mobility. Our efforts are focused on:

- ▶ Supporting training and skill development programs that connect workers and young people to well-paying, stable jobs with opportunities to advance
- ▶ Strengthening the capacity of community colleges, college systems and educational institutions to improve workforce and educational outcomes
- ▶ Building connections between employers and education and training providers to align skill development programs to business needs
- ▶ Applying insights from our work in the community to our own policies and practices as an employer to create more paths for career mobility within our firm and to prepare our own workforce for changes in technology and business

Investing in Young People

Expanding access to education, credentials and real-world work experiences that prepare young people for the jobs of today and tomorrow has long been a focus for our firm – but we are being even more purposeful about these investments in light of the pandemic. Historically, economic downturns disproportionately impact young people, especially young people of color.

In 2020, JPMorgan Chase awarded a total of \$42 million to six U.S. cities – Boston, Columbus, Dallas, Denver, Indianapolis and Nashville – as part of a \$75 million global career readiness initiative. Our firm's \$7 million commitment to each city is enabling it to formulate new cross-sector collaborations to improve student completion of high-quality career pathways and support inclusive economic recovery strategies. We will be expanding this initiative to additional sites outside of the U.S. in 2021. To further these goals, and the firm's New Skills investments, JPMorgan Chase's [PolicyCenter](#) is developing and advancing policy recommendations to prepare students and workers for good careers and economic mobility.

\$42 million

awarded to six U.S. cities in 2020 as part of JPMorgan Chase's global career readiness initiative

In 2020, we marked the 10th anniversary of The Fellowship Initiative (TFI), a JPMorgan Chase program that provides comprehensive academic, social and emotional support to Black and Latinx young men from low-income communities. Over the past decade, TFI has matched more than 350 high school Fellows in New York, Chicago, Dallas and Los Angeles with JPMorgan Chase employees, who serve as mentors for three years. The Fellows receive coaching, academic support and leadership development that helps prepare them for college and career success. The program has contributed to a 100% admission rate to college among graduating Fellows, with more than half of the Fellows being the first in their family to attend college. As we look ahead to the next decade of TFI, we are expanding the program to several additional U.S. cities and we have committed to tripling the number of TFI Fellows to more than 1,000.

We are also continuing our support for summer youth employment programs, which play an important role in guiding young people on a path to greater economic mobility. Working closely with cities and nonprofits, in 2020 our firm committed \$3 million across more than 20 U.S. cities to help ensure the accessibility of summer youth employment programs during the pandemic. As with so much during the year, this required adopting new approaches such as virtual learning experiences and mentoring.

\$3 million

committed across more than 20 U.S. cities to shore up summer youth employment programs during the pandemic

Strengthening the Capacity of Community Colleges

Bolstering community colleges and making stronger connections between community college programs and employer needs is a key focus of our New Skills investments. With open admissions policies and lower costs relative to other institutions, community colleges play an important role as engines of economic mobility by providing economically and demographically diverse communities with access to career opportunities. In 2019, JPMorgan Chase committed \$125 million in philanthropic capital to strengthen the capacity of community colleges across the U.S. We have also developed hiring programs with several community colleges and engaged extensively with their leaders and educators – and encouraged other employers to do so as well – to share insight into our skill needs and to help educators develop courses and curricula that align with those needs.

\$125+ million

in philanthropic capital invested since 2019 to strengthen the capacity of community colleges across the U.S.

Building on what we learned through our firm's investments in major metropolitan community college systems in recent years – including City Colleges of Chicago, the City University of New York, Dallas County and others – we have looked to identify new ways to expand this work to other underserved areas. In 2020, this included developing a new program focused on strengthening the capacity of rural community college systems. Through a collaboration with Achieving the Dream – a nonprofit focused on increasing the academic and economic success of low-income students, students of color and other marginalized populations – we are supporting the Building Resiliency in Rural Communities for the Future of Work initiative. As part of this effort, seven rural community colleges have been selected to receive financial resources, technical support and access to networks to help them better train students for well-paying careers and to serve as regional economic engines in today's digital economy.

Providing a Second Chance

One in three working-age adults in the U.S. has an arrest or conviction record, creating significant barriers to employment for a substantial number of Americans.² That is why one focus of our efforts to create economic mobility is giving people with criminal backgrounds across the U.S. a second chance by supporting their reentry into the workforce, community and local economies.

Through the JPMorgan Chase [PolicyCenter](#), we are supporting federal and state policy changes to remove barriers to employment for people with criminal backgrounds. Our firm supported the Fair Chance Act, which was signed into federal law in December 2019 and helps qualified workers with arrest or conviction records compete for employment in federal agencies and with federal contractors. We supported a measure signed into law in 2020 restoring access to Pell Grants for incarcerated individuals, which allows them to pursue post-secondary education in prison and increases employment opportunities after their release. The firm also backed a rule change that was approved by the Federal Deposit Insurance Corporation in 2020 that makes it easier for people with convictions for certain low-risk crimes to qualify for jobs in the banking industry.

Also, as part of JPMorgan Chase's broader strategy to diversify our talent pipeline, we have implemented a range of changes to expand opportunities for individuals with criminal backgrounds who meet certain requirements to pursue careers within our firm, such as "banning the box" on job applications and delaying a background check until a conditional offer of employment has been made. In 2020, we hired approximately 2,100 individuals with criminal backgrounds, approximately 10% of our new hires in the U.S.

In addition, we are collaborating with other employers to encourage adoption of similar practices. For example, we are working with Business Roundtable to convene a business coalition to highlight innovative practices that advance second chance hiring.

Facilitating Career Mobility Within Our Firm

JPMorgan Chase is testing and applying insights from our work in communities to create greater career mobility for our own employees. A key part of these efforts includes identifying the certifications, credentials and other training that will prepare employees for changes in technology and business and allow them to compete for new and in-demand roles in our firm – and then leveraging local educational institutions to offer employees access to low- or no-cost upskilling and reskilling opportunities that align with those roles. Learn more about how JPMorgan Chase is creating opportunities for our employees to build their skills and pursue growing roles within our company on [page 23](#).

~10%

of JPMorgan Chase's U.S. new hires in 2020 had a criminal background

Fueling Business Growth and Entrepreneurship

The private sector is the primary engine of economic growth and opportunity, and JPMorgan Chase is proud to be a leader in providing the capital and expertise that businesses of all sizes need to grow and prosper. Small businesses play an especially vital role in fueling local economies, creating jobs and generating opportunity, and our firm has a broad range of products, services and programs designed to meet the needs of our small business customers.

We know from experience that all entrepreneurs face challenges launching and growing a business. However, we also know that underserved entrepreneurs, including people of color, women and veterans, face unique barriers. That is why, alongside our business activities, we invest philanthropic capital in organizations developing innovative approaches focused on expanding access to capital, expertise and networks for underserved entrepreneurs. The COVID-19 pandemic – which has disproportionately impacted minority-owned businesses – underscores that these efforts are more urgent than ever.

In 2020, our firm expanded our commitment to support minority entrepreneurs by pledging to provide an additional 15,000 loans – delivering up to \$2 billion in capital – to small businesses in majority-Black and -Latinx communities over the next five years. We also committed to spend an additional \$750 million with Black and Latinx suppliers over that same period. And, in early 2021, we announced a new \$350 million, five-year global commitment – which includes low-cost loans, equity investments and philanthropy – to grow Black, Latinx, women-owned and other underserved small businesses. These investments are all part of our firm's broader \$30 billion commitment to advance racial equity.

\$350 million

in low-cost loans, equity investments and philanthropy to grow Black, Latinx, women-owned and other underserved small businesses

Serving Our Small Business Customers

During 2020, JPMorgan Chase originated over 800,000 small business loans for a total of \$30.3 billion, an increase in capital extended of nearly 40% from the year before. Approximately 20% of these loans were made to businesses in low- and moderate-income communities.

The economic fallout from the COVID-19 pandemic has been devastating for U.S. small businesses, and in 2020 our firm quickly mobilized to support our customers by helping them access available government financing and providing other resources to help them weather the crisis. Through the Small Business Administration's (SBA's) Paycheck Protection Program, we delivered firmwide \$32 billion in loans to small businesses (\$28 billion excluding SBA safe harbor refunds), more than any other lender on a dollar basis. With research from the JPMorgan Chase Institute showing that Black-owned businesses were especially hard hit, our firm partnered with a coalition of business advocacy groups – the National Minority Supplier Development Council, U.S. Black Chambers, National Urban League and Black Enterprise – to launch Advancing Black Entrepreneurs by Chase for Business in 2020. Together, our firm and our partners developed an educational curriculum designed for and delivered at no cost to eligible entrepreneurs on key topics that are vital to business growth and sustainability. By the end of the year, the program reached over 1,800 attendees across the first two sessions, and work is underway to develop and deliver additional sessions in 2021.

Supporting Diverse Suppliers

JPMorgan Chase is using our global purchasing power to support businesses owned and operated by historically underrepresented groups and to drive economic growth in our communities. Since 2015, our firm has spent approximately \$11 billion with businesses owned by minorities, women, military veterans, disabled veterans, service-disabled veterans, people with disabilities and members of the LGBT+ community, including over \$2 billion in 2020 alone. Our firm is proud to be a member of The Billion Dollar Roundtable, which recognizes excellence in supply chain diversity.

Our commitment to supplier diversity focuses not only on seeking to do business with diverse suppliers, but also on proactively helping foster the growth and success of our suppliers' businesses. We do so by offering and supporting a range of resources, including education and training workshops, mentoring and coaching programs, networking opportunities and more.

In addition, to amplify our impact, we have a Tier 2 supplier program through which we encourage our key suppliers to establish and maintain their own diverse supply chains, as well as report their spend to us on a quarterly basis. We also have a dedicated effort to mobilize our Gold Suppliers – a network of over 100 companies that have achieved our top supplier designation – to promote supplier diversity programs, with an emphasis on Black- and Latinx-owned businesses. Our Gold Suppliers are leaders in their respective industries with their own considerable purchasing power, so we view this effort as a unique and powerful way to collectively help address racial inequities and structural barriers in supply markets.

\$2+ billion

spent in 2020 with suppliers owned and operated by historically underrepresented groups

Investing in the Success of Underserved Entrepreneurs

In late 2020, our firm introduced the Minority Entrepreneur Program, a nationwide initiative designed to help entrepreneurs in historically underserved areas access coaching, technical assistance and capital. We launched the program first in Chicago, where we are providing Black- and Latinx-owned small businesses with one-on-one mentorship and digital education to help grow their businesses. We have since rolled out the program in Atlanta, Detroit, Los Angeles and Houston, and we have plans to expand it to new markets later in 2021. In addition, we expect to roll out lending solutions with expanded credit eligibility to business owners from historically underserved communities.

Our firm also has a variety of other longstanding programs designed to support specific groups of underserved entrepreneurs. For example:

- ▶ Through our **Women on the Move** global initiative, we have supported tens of thousands of women-owned businesses through a free digital series called Navigating Your Cash Flow, which provides small business owners with interactive tools designed to help improve their companies' cash position and ability to find new revenue streams. We also launched a program that supports women-founded companies seeking venture capital funding and aims to close the gender-based funding gap by providing greater access to capital, networking opportunities and the advisory services of a world-class bank.
- ▶ As part of **Advancing Black Pathways** – our firm's initiative to accelerate economic empowerment and opportunity for the Black community – we launched the New Voices Banking Bootcamp for women of color entrepreneurs in 2020. Created in collaboration with the New Voices Foundation, the program provides participants with business banking and finance education, along with a \$10,000 award upon completion.
- ▶ Through our **Office of Military and Veterans Affairs**, we reached more than 600 veteran-owned small businesses through two in-person and three virtual events in 2020. All told, since 2016, our firm has invested more than \$11 million to help support training, incubation and paths to capital for veteran-owned small businesses through our work with several veteran support organizations.

Expanding the Entrepreneurs of Color Fund

Since its inception in Detroit in 2015, the Entrepreneurs of Color Fund has provided over 1,200 loans and deployed more than \$32 million in capital to Black, Latinx and other underserved entrepreneurs. The firm's signature program has grown to include a network of 12 Community Development Financial Institutions (CDFIs) in five metro areas: Detroit; the Bay Area; South Bronx; Chicago; and the Greater Washington, D.C. area.

In collaboration with the Local Initiatives Support Corporation and a network of CDFIs, JPMorgan Chase is contributing \$42.5 million in low-cost loans and philanthropy to expand the Entrepreneurs of Color Fund, which provides access to capital and advisory services for minority entrepreneurs. Our firm's commitment will help enable the Entrepreneurs of Color Fund to scale to additional cities in 2021, with the goal to create a nationwide program providing low-cost loans and technical assistance to minority-owned small businesses through our community lending partners.

\$32+ million

in capital deployed to Black, Latinx and other underserved entrepreneurs through the Entrepreneurs of Color Fund

Leveraging Philanthropic Capital

Our firm deploys philanthropic capital to support and scale innovative efforts to help unlock the power of small business as a driver of economic opportunity and build the capacity of diverse-led nonprofits across the globe to more effectively support entrepreneurs. Over the past five years, our firm has provided more than \$200 million in philanthropic capital, including \$20 million in COVID-19 relief, to support underserved small businesses in cities around the world. These funds provided access to capital and technical support to more than 1 million diverse small businesses, which have raised nearly \$10 billion in capital and increased revenue by an average of 22%.

\$200+ million

in philanthropic capital, including \$20 million in COVID-19 relief, committed to support underserved small businesses in cities around the world

Strengthening Minority-Owned and Diverse-Led Financial Institutions

Our firm has committed \$75 million in capital and deposits to Black- and Latinx-led Minority Depository Institutions (MDIs) and CDFIs, which provide vital financial services, help build wealth and grow local businesses in underserved communities. In early 2021, we announced the first \$40 million in investments and commitments, including to the holding companies for Louisiana-based Liberty Bank and Trust, North Carolina-based M&F Bank, New York-based Carver Federal Savings Bank and Los Angeles-based Broadway Federal Bank.

J.P. Morgan Asset Management also launched Empowering Change, a unique program in partnership with MDIs and diverse-led CDFIs to provide economic opportunity to underserved communities. The program includes a new Empower share class offered across J.P. Morgan Asset Management's money market funds, allowing MDIs and CDFIs to engage with institutional clients and generate new revenue streams. J.P. Morgan Asset Management will donate 12.5% of revenue received for management of the Empower share class to support community development and will provide access to the firm's breadth of resources, including training, education and marketing, as well as its digital investment platform, Morgan Money.

\$75 million

commitment to Black- and Latinx-led MDIs and CDFIs

Strengthening Financial Health and Wealth Creation

Even before the COVID-19 pandemic hit, many individuals and households were struggling with their financial health: Only 29% of Americans were financially healthy in 2019, despite a strong economy.³ At the same time, large racial wealth gaps persist, with the JPMorgan Chase Institute finding that Black and Hispanic households have 32 and 47 cents in liquid assets, respectively, for every \$1 held by white families.⁴ The economic shock brought on by the pandemic – and its disproportionate impacts on low-income households and people of color – has only magnified and heightened the widespread financial insecurity and inequity.

JPMorgan Chase serves nearly half of all U.S. households, and we believe that presents a unique responsibility – and opportunity – to leverage our reach and expertise to help consumers strengthen their financial health and build and sustain wealth. We do so by creating innovative and affordable products and services that help individuals increase savings, manage spending, reduce debt, build credit and plan for their financial goals. We also support nonprofit organizations working to improve financial resiliency and build wealth in communities, as well as developing innovative fintech solutions aimed at improving the financial health of low- and moderate-income consumers around the world.

Helping Customers Manage Their Financial Lives

We offer customers a suite of tools to help them strengthen their financial health, as well as an online Financial Goals webpage that provides actionable information to help individuals manage their budget, save and build credit. Today, more than ever, digital channels – including online and mobile banking – are an important way for us to reach our customers.

One of the newest online tools we offer to help customers manage financial volatility in their lives is Budget. Launched in late 2020, Budget provides a simple way for customers to create a monthly budget based on their income, recurring expenses and flexible spending, which is the portion of their budget they can best control. Budget then tracks all of their Chase credit and debit card spending so that they can stay on track and identify additional ways to save.

72%

increase in customers enrolled in Autosave in 2020

Helping our customers save is another focus for our business. Our Autosave tool allows customers to identify their savings goals and set up automatic transfers to fund their goals, whether it is emergency savings, a down payment for a home or their next vacation. Autosave helps build a savings habit by automating transfers from customers' checking to their savings accounts and allowing them to monitor their progress through a savings dashboard. The number of customers enrolled in Autosave grew by 72% in 2020 to nearly 2.4 million – and the total amount saved by customers using the tool more than doubled from year-end 2019. On average, customers saved 11% more per month using Autosave in 2020 compared with the prior year.

Another tool we offer to help consumers improve their financial health – regardless of whether they are Chase customers – is Chase Credit JourneySM. This free resource enables consumers to check their credit score and view their full credit report online, and also offers automatic alerts and a score simulator that demonstrates how certain actions can impact credit scores.

Broadening Access to Banking Services

Access to safe, high-quality and affordable banking services is an important foundation of financial health, and low-income households – as well as Black and Latinx households – are more likely to be unbanked or underbanked.⁵ In 2020, JPMorgan Chase pledged to help an additional 1 million people open low-cost checking and savings accounts over the next five years.

One way we plan to do this is by amplifying awareness of Chase Secure BankingSM – our low-cost, no overdraft checking account – to those new to banking or who have had trouble getting or keeping a bank account in the past. Chase Secure BankingSM accounts provide users with the benefits of being a Chase customer, like access to thousands of fee-free ATMs, free money orders and cashier's checks, Chase's mobile app and support from bankers in person or by phone. Since its launch in 2019, Chase Secure BankingSM has helped over 1 million people access mainstream banking. Chase Secure BankingSM has been certified by Bank On for meeting the National Account Standards as a low-cost, low-fee account.

When the COVID-19 pandemic hit, the ability to access mobile banking services was more important than ever, and Chase Secure BankingSM enables our customers to deposit paychecks and stimulus checks and conduct other banking services without having to go into a branch. We also added tip sheets to our online Financial Goals hub on how to access government resources and navigate the financial impacts of the pandemic.

Our bank branches are another important way we serve our customers and provide access to banking services. As part of our firm's market expansion initiative launched in 2018, we announced plans to open more than 100 new branches in low- and moderate-income communities, representing about a third of our planned new branches. Since 2018, we have opened more than 80 branches in low- and moderate-income communities.

We have also continued to roll out our Community Center branch model, through which we offer expanded financial health and other resources tailored to address the needs of underserved communities. Following the successful opening of our first such branch in Harlem in New York City in 2019, we opened similar branches in Minneapolis and Chicago in 2020. We plan to open an additional 13 of these community-inspired branches in traditionally underserved neighborhoods by the end of 2022.

In addition, to better meet the needs of underserved communities, in 2020 we expanded our team of community managers, who lead one-on-one financial coaching sessions, help drive financial health initiatives in our branches and leverage our relationships with nonprofit organizations to increase financial health among underbanked and underserved communities. Over the next five years, we plan to expand this team further by hiring up to 150 new community managers.

Seeding and Scaling Innovative Financial Solutions

As part of a five-year, \$125 million commitment to improving financial health of underserved communities, JPMorgan Chase is leveraging its philanthropic capital and expertise to seed and scale technology-based innovations to improve the financial health of low- and moderate-income households around the world. At the center of this effort is the Financial Solutions Lab, a \$60 million, 10-year initiative managed by the Financial Health Network in collaboration with founding partner JPMorgan Chase and support from Prudential Financial. Since 2015, the Financial Solutions Lab Accelerator has supported 43 fintech startups that serve at least 10 million active users. Collectively, the companies' innovative financial products have helped their customers build over \$3 billion in savings, avoid \$420 million in fees and settle over \$20 million of debt.

Globally, we support similar efforts such as the Financial Inclusion Lab in India and the Catalyst Fund in emerging markets. Beginning in 2020, we brought together these partners, along with the Financial Solutions Lab, to share lessons and best practices in supporting early-stage startups providing fintech solutions to underserved populations.

\$3+ billion

in savings built – and \$420 million in fees avoided – by customers of the the fintech startups that are part of the Financial Solutions Lab

Helping Individuals Weather the Financial Shock of COVID-19

When the COVID-19 pandemic hit in 2020, we quickly mobilized to provide emergency support to help individuals and small business owners address immediate financial needs, navigate public benefits and manage their finances. This included providing more than \$1 million to organizations in California – including Mission Asset Fund, the International Rescue Committee and its CDFI affiliate, the Center for Economic Opportunity – to provide financial coaching and affordable loans to households and small business owners with a focus on underserved communities, including refugees, immigrants and low- and moderate-income households. We also provided \$2 million in support to existing nonprofit partners SaverLife and Neighborhood Trust to launch a COVID-19 response effort to deploy virtual financial coaching and emergency savings support to small business employees and vulnerable workers.

Catalyzing Community Development

Investing in our communities is part of how we do business, and we know that their long-term health is critical to sustaining a stronger economy. Our comprehensive approach combines data and expertise, community development lending and equity, and strategic philanthropic capital designed to help create inclusive communities that connect residents to economic opportunity. Over the past year, this also meant supporting an inclusive recovery from COVID-19.

A key focus of our strategy is promoting affordable housing and homeownership in underserved communities. This is driven by our recognition that housing is a critical foundation of strong and resilient communities – and that when individuals have access to safe and affordable homes, they enjoy better health, education, earnings and other measures of well-being.⁶ However, an affordable housing crisis has been unfolding – and worsening – for years.⁷ One in three households – nearly 100 million people across the U.S. – struggles with housing costs that jeopardize their financial security.⁸ Meanwhile, only 36 affordable and available units exist for every 100 extremely low-income renter households in the U.S.⁹

The economic crisis resulting from the COVID-19 pandemic has accelerated this pre-existing crisis, disproportionately impacting and destabilizing many households of color.¹⁰ In response, JPMorgan Chase is focusing our efforts on improving housing stability and affordability for households of color, particularly Black and Latinx households, to help them access, secure and maintain safe and affordable homes connected to economic opportunities.

Supporting Housing Stability During the COVID-19 Pandemic and Beyond

As millions of households began to face critical financial strain and uncertainty due to the pandemic, we quickly shifted our philanthropic focus to helping prevent evictions and foreclosures. In addition, we directed resources to help stabilize nonprofit affordable housing providers, including small landlords, to protect and preserve existing units at risk of losing affordability.

For example, we provided \$1 million to the National Association for Latino Community Asset Builders – a hub of more than 120 nonprofits, including affordable housing developers, working to advance economic mobility and strengthen neighborhoods for Latino communities. This grant provided emergency financial assistance to keep 2,000 Latino families housed during the height of the economic crisis, and supported Latino-led nonprofit affordable housing providers to help them respond to a surge in client needs during the pandemic.

Producing, Preserving and Protecting Affordable Housing

Even before the pandemic, the affordability crisis was acute and the racial wealth gap among renters was clear: Over half of Black and Latinx renter households were cost burdened going into the pandemic, spending more than 30% of their income on housing.¹¹ Since the start of the pandemic, the need to create more affordable housing – and focus on efforts to expand access for households of color – has taken on even more urgency.

JPMorgan Chase has a longstanding commitment to affordable housing development, bringing our industry expertise, a comprehensive set of financial solutions and a focus on combining our business and philanthropic efforts to support affordable housing from initial planning to property development. Through our Community Development Banking and Tax Oriented Investment business activities, over the past decade we have committed

more than \$28 billion to lend to and invest in affordable housing, which has resulted in the development of over 350,000 affordable housing units restricted to serving low-income tenants, including approximately 44,000 units in 2020. Through philanthropic capital, we have committed more than \$245 million over five years, which has helped enable our grantees to leverage an additional \$1.5 billion of outside public and private capital and to create or preserve over 32,000 affordable housing units.

As part of our firm's \$30 billion commitment to advance racial equity, we have pledged to expand on this work by financing an additional 100,000 affordable rental units over the next five years. To do so, we will provide \$14 billion in new loans, equity investments and other efforts to increase access to affordable housing in underserved communities.

We will provide financing for an additional

100,000

affordable rental units over the next five years

Expanding Homeownership

In the U.S., homeownership has traditionally been a major financial goal for families and is recognized as a successful vehicle for wealth building. Our firm is focused on expanding access to homeownership for low- and moderate-income customers and, in 2018, we made a five-year commitment to finance \$50 billion of mortgages in low- and moderate-income communities. By the end of 2020, we had financed over \$31 billion, putting us 63% toward our five-year goal.

We know, however, that there are significant, and growing, racial gaps in homeownership rates – the homeownership gap between Black and white families grew to 31% in 2019, larger than it has been in decades – and that this disparity in homeownership is a key driver¹² of the racial wealth divide. So, in 2020 we stepped up our commitment by pledging \$8 billion in mortgages, which is expected to originate an additional 40,000 home purchase loans for Black and Latinx households over the next five years. We will also help an additional 20,000 Black and Latinx households achieve lower mortgage payments through refinancing loans totaling up to \$4 billion.

We will originate an additional

40,000

home purchase loans for Black and Latinx households over the next five years

One of the barriers to homeownership is closing costs, so in early 2021 we doubled our Chase Homebuyer GrantSM – to up to \$5,000 – for customers buying a home in one of the 6,700 communities identified by the U.S. Census as majority Black, because that is where homeownership rates are lowest. In addition, we continue to make homeownership more accessible with our DreaMakerSM Mortgage, which allows buyers to make a down payment of as little as 3% and offers an affordable monthly payment. In 2020, DreaMakerSM accounted for 22% of our home purchase mortgages. With DreaMakerSM, buyers can earn a \$500 grant by completing a financial education program to prepare them for homeownership. These products and programs complement the suite of other affordable loan products and programs we offer, including Federal Housing Administration and U.S. Department of Veterans Affairs mortgages.

Mobilizing Capital for Community Development

While safe, affordable housing is vital for communities, access to health care, childcare, healthy food and well-paying jobs is also essential. Through our Community Development Banking business, our firm drives lending and investment capital to high-impact projects – in addition to affordable housing – that have the potential to be transformative in low-income communities. We do this as a leading investor in the federal government’s New Markets Tax Credit (NMTC) program, which stimulates investment in low-income communities by encouraging private investors to provide longer-term, patient capital in exchange for a tax credit.

In 2020, we received a \$65 million NMTC allocation. All told, our firm has invested more than \$2.7 billion of equity – including both our NMTC and Historic Tax Credit portfolios – driving capital to 590 community development projects since the NMTC program’s inception two decades ago. In addition, as part of our firm’s \$30 billion commitment to advancing racial equity, we pledged to make an additional \$100 million in NMTC investments in 2021 with a focus on Black-owned or -led projects, as well as projects primarily serving Black populations.

Seeding Innovative Solutions to Community Challenges

Through the *AdvancingCities* Challenge, JPMorgan Chase identifies and seeds collaborative and creative community development solutions to challenges ranging from affordable housing to small business development. In 2020, we combined the [AdvancingCities Challenge](#) with our PRO Neighborhoods Competition and awarded a total of \$37 million to nonprofit organizations working in seven cities: Baton Rouge, Boston, Chicago, Minneapolis, New Orleans, Philadelphia and Portland.

Winners included the Resurrection Project in Chicago, which together with its partners is increasing housing access and affordability through modular housing and innovative financial products in South Side and West Side neighborhoods; and Family Housing Fund and its collaborative members in Minneapolis, which are working to prevent displacement, increase homeownership and build generational wealth by helping longtime community residents – particularly Black, Latinx, Indigenous and immigrant residents – become first-time homebuyers and landlords of small, multifamily buildings.

Supporting and Partnering with MDIs and CDFIs

MDIs and CDFIs provide vital financial services in communities that are often underserved. In order to provide this necessary funding to underrepresented communities, many MDIs and CDFIs need additional capital themselves. Our firm originated over \$285 million of lending to CDFIs and their affiliates in 2020, and, as part of our \$30 billion commitment to advancing racial equity, we will provide \$375 million in additional financing to diverse-led CDFIs over the next five years. We also pledged to invest \$75 million in capital and deposits in Black- and Latinx-led MDIs and CDFIs (see [page 40](#)).

These new initiatives are focused on strengthening minority-owned and diverse-led financial institutions by providing additional access to capital, connections to institutional investors, specialty support for Black-led commercial projects, and mentorship and training opportunities.

Investing in Data to Advance Policy

Our firm is investing in research and data to help communities advance more coordinated and effective local housing and other community development strategies and policies. We are drawing on our firm’s unique proprietary data, expertise and market access to inform our own and others’ strategies and policies. For example, in early 2021, we released [The First 100 Days and Beyond](#), a report that highlights research from JPMorgan Chase Institute and the work of the JPMorgan Chase *PolicyCenter* to describe data-driven recovery policies that provide immediate support to those most impacted by the COVID-19 pandemic. The report also highlights longer-term policies to increase the financial health and stability of households and small businesses.

\$300+ million

in additional financing will be provided to diverse-led CDFIs over the next five years



SPOTLIGHT

Driving Impact Through Innovative Financing

Our firm is putting to work all of the tools at our disposal to help advance racial equity and build a more inclusive economy. One of those tools is Impact Finance, an innovative approach that pairs financial products with data-driven philanthropic strategies. Through a dedicated pool of proprietary capital we created in 2018, JPMorgan Chase is helping fill a gap in the market for flexible capital to meet the needs of organizations and companies tackling fundamental community challenges. These efforts, which emphasize supporting diverse-led organizations and those that serve communities of color, also enable our firm to recycle and reinvest returned capital in communities to drive greater impact.

We deliver Impact Finance capital in two ways: through long-term, low-cost loans to mission-driven financial intermediaries, such as CDFIs; and equity investments in early-stage, mission-driven companies.

In 2020, we closed 13 transactions totaling over \$120 million. The pandemic created unique challenges during the year, and much of our work was focused on responding to this crisis. We know that Black-and Latinx-owned small businesses were hit particularly hard; as a result, we doubled down on support to CDFIs lending to minority-owned small businesses and businesses in low- and moderate-income communities across the U.S. For example, we made a \$30 million commitment to the Entrepreneurs of Color Fund (see [page 40](#)), as well as over \$20 million in loans to CDFIs

focused on small business, such as Ascendus, Inc. and TruFund Financial Services, Inc. These loans will be used to support small businesses and nonprofits in hard-hit communities such as Chicago, Detroit, Houston, Los Angeles, New Orleans, New York City and Seattle.

Knowing that community health centers offer crucial access to health care, we extended a \$10 million loan to CPCA Ventures in partnership with Capital Impact Partners for the CPCA COVID Response Loan Fund to support community health centers in California. Additionally, in recognition that access to affordable housing remains a key challenge in many areas – and that it is a social determinant of health – we increased our loan to the Housing for Health Fund to \$25 million in total. A partnership between Kaiser Permanente and Enterprise Community Partners, the fund will be used to finance the preservation of affordable housing across the Bay Area.

We also know the private sector can drive highly scalable innovations that advance our impact objectives. To that end, we have invested in companies like Bitwise Industries, which helps to create inclusive pathways to high-wage, high-growth technology careers, and Upswing, a student support platform helping prevent student drop-out at community colleges, Historically Black Colleges and Universities and Hispanic-serving Institutions across the country.

Accelerating Climate and Sustainability Solutions

Developing solutions to the sustainability challenges we face is critical for our planet, society and communities around the world. Climate change, in particular, is one of the most urgent societal problems and is driving increased risks for businesses. At the same time, there are opportunities to advance solutions that protect the environment, support sustainable development and grow the economy.

Our global reach and expertise make us well positioned to help accelerate solutions that support the transition to a low-carbon and more inclusive economy. We are doing this by helping our clients raise the capital they need to build sustainable infrastructure, develop and scale new technologies, and implement business strategies for transition. We are also focused on helping carbon-intensive industries rapidly decarbonize, and we are supporting investors who seek to put their capital to work to advance these opportunities. Over the next 10 years – beginning in 2021 through the end of 2030 – we aim to finance and facilitate more than \$2.5 trillion to advance long-term solutions that address climate change and contribute to sustainable development.

This section focuses on how we are leveraging our business to advance the transition to a more sustainable, low-carbon economy, including highlighting our engagement with industry, policy and other stakeholders. Our approach is reflected in an expanding suite of sustainability-focused initiatives across our business, including our Paris-aligned financing commitment and our 10-year sustainable development target. From our growing portfolio of green financing activities to our deepening focus on ESG and sustainable investing, we are leveraging the global reach and expertise of our firm to help provide the capital that will be needed to make the low-carbon transition a reality.

Our Sustainability Approach

As a global financial institution working with clients in nearly every sector of the economy, we know we have an important role to play in tackling sustainability challenges, including climate change. This means pursuing sustainability objectives both in how we do business and in how we put our business to work for our stakeholders.

THIS REPORT COVERS KEY ELEMENTS OF OUR SUSTAINABILITY APPROACH, INCLUDING:



Supporting our clients and financing opportunities that accelerate the transition to a low-carbon economy and a more sustainable future

This section



Managing environmental and social risks in our business

[See page 14 >](#)



Minimizing the environmental impact of our operations

[See page 28 >](#)

This report also includes information on how we are working to advance effective policy development to address climate change and sustainable development, engaging with industry and other stakeholders on sustainability matters, and our approach to reporting regularly on our overall strategy.



SPOTLIGHT

Our View of the Climate Challenge

Addressing climate change and meeting the goals of the Paris Agreement is a global imperative; yet, doing so requires overcoming major challenges. Reducing GHG emissions – the main cause of climate change – will require collective ambition and cooperation across the public and private sectors. As a major intergovernmental accord, the Paris Agreement was an important step toward that collective ambition, aiming to limit the global average temperature rise to well below 2.0 degrees Celsius above preindustrial levels, and ideally, to 1.5 degrees Celsius. However, the world is not on track to meet these goals.

The primary sources of GHG emissions – coal, oil and natural gas – have powered the world's energy economy for many decades, in the process advancing significant economic growth and social development for billions of people around the world. However, the foundation of our global energy system now threatens the very growth these resources have enabled. The challenge we face today is twofold: We need to find ways to continue to generate energy for the world's growing needs, including transportation, electricity and heating for homes and offices, and powering industry and manufacturing. And we need to do so by using lower-carbon technologies so that the world can meet the objectives of the Paris Agreement.

Currently there are not adequate, commercially available low-carbon energy solutions for all of the world's energy needs. Technologies like wind and solar have made huge strides, but they are principally deployed for electricity generation. Overall, renewable energy accounts for only about 28% of global electricity generation.¹³ And, even as this scales up, electricity generation still accounts for only about 44% of global carbon dioxide emissions.¹⁴ Particularly in harder-to-abate sectors such as

industrial, manufacturing and heavy transportation (e.g., trucking and air travel) – which support basic economic needs around the globe – many of the technology alternatives that exist today are not yet scalable or cost-effective.

As a result, even as additional low-carbon technologies are developed and deployed over time, resources like oil and natural gas will continue to play a role in meeting essential global energy needs. Industries that produce and consume these resources cannot be abandoned completely. Therefore, companies that produce and consume these resources will need to invest in significant and continuous performance improvements to help meet the Paris Agreement goals.

Clearly these are daunting challenges, which will require meaningful efforts across the public and private sectors. Significant changes in government policy and the creation of new technologies will ultimately be required to reach the goals of the Paris Agreement, particularly in those industrialized sectors that today lack alternatives. To that end, our firm continues to actively support market-based policy solutions, including a price on carbon (see [page 57](#)) and the commercialization of new technologies that can help advance deep decarbonization.

While our firm – or even the financial sector as a whole – cannot solve these challenges alone, we have an important role to play. It is estimated that up to \$150 trillion will be needed globally over the next 30 years to achieve the Paris Agreement's goals.¹⁵ This means that, for companies to succeed through energy transition – that is, become more efficient, innovate, evolve and stay competitive in a changing world – they will need significant capital and strategic support.

Aligning Our Financing with the Goals of the Paris Agreement

In October 2020, JPMorgan Chase announced our commitment to align our financing portfolio with the goals of the Paris Agreement. This means we are measuring the GHG emissions of our clients in key sectors of our financing portfolio (our “financed emissions”) and are setting reduction targets for these sector portfolios that are Paris-aligned. To start, we have developed intermediate Paris-aligned targets to reduce the carbon intensity in our Oil & Gas, Electric Power and Auto Manufacturing portfolios by 2030.

Why We Made This Commitment

Our commitment to Paris-alignment is an important step toward accelerating the low-carbon energy transition and encouraging near-term actions that will set a path for achieving net-zero emissions by 2050. By working directly with clients to develop and finance their transition strategies and goals, we will help them navigate the challenges and opportunities of decarbonization and the energy transition, while also helping accelerate new technologies and business strategies.

Despite the many challenges, more and more companies are hard at work to align their business strategies to the goals of the Paris Agreement. As a global financial services firm, we do business with companies operating in a diverse array of industries, including many in the energy sector. We want to use our position to make an impact and help drive solutions, because encouraging these efforts is good for our clients, the economy, our business and ultimately the planet.

Our Paris-aligned financing commitment is the next step in our journey to mobilize our business to respond to our clients’ needs and help address climate change.

Our Approach to Paris-Alignment

JPMorgan Chase has developed Carbon CompassSM – our methodology to measure and track progress against our Paris-aligned targets. Our methodology incorporates, but also expands on, existing external approaches to define robust, decision-useful metrics and science-based, Paris-aligned targets on a sector-by-sector basis. Our targets are based on credible third-party energy and emissions scenarios, such as the International Energy Agency’s Sustainable Development Scenario (IEA SDS) and the Energy Technology Perspectives Beyond 2°C Scenario (ETP B2DS), which include specific glide paths to achieve Paris-aligned emissions.

We chose to initially focus on three sectors – Oil & Gas, Electric Power and Auto Manufacturing – for a few key reasons. First, these sectors are each responsible for a significant share of GHG emissions in the global energy value chain, making them key to bringing overall emissions trajectories in line with the goals of the Paris Agreement. Second, viable transition pathways exist and many companies in these sectors are already pursuing them. Third, though improvements are needed, sufficient emissions data is emerging in each of these sectors. Finally, these sectors represent both the supply and demand side of the energy system, with oil and natural gas being key energy sources used by the power and automotive sectors. Therefore, the interplay between these sectors is important to overall decarbonization. For example, a lower-carbon power grid is a key enabler of decarbonization in the auto sector, as electric vehicles are only truly low- or zero-emission if charged by lower carbon or renewably powered electricity. By starting with these three sectors, we are increasing full value chain accountability for decarbonization. Over time, we will work to expand our methodology to encompass additional sectors and aim to extend and improve its application in accordance with best practices and improved data availability.

In establishing our methodology, we enlisted the support of ERM – a global pure-play sustainability consultancy with deep sectoral, technical and business expertise in the low carbon and energy transition – to challenge and enhance our efforts. We are making the details of our methodology public to help advance collective efforts across our industry and to bring our clients along on our journey to help meet the goals of the Paris Agreement.

See our [Carbon Compass Methodology](#) for more details on our overall process and sector-specific details.

Current Portfolio and 2030 Portfolio Targets

The metrics in the table below summarize the financed emissions starting point of each of our sector portfolios (i.e., our portfolio baselines), as well as the 2030 targets we have defined for each sector, which are Paris-aligned. These metrics are measured as a weighted average carbon intensity of each portfolio, as further detailed in our methodology document.

Sector	2019 Portfolio Baseline	2030 Portfolio Targets
Oil & Gas	Operational (Scopes 1 and 2)	6.1 g CO ₂ e/MJ
	End Use (Scope 3)	66.5 g CO ₂ /MJ
Electric Power (Scope 1)	375.6 kg CO ₂ /MWh	115.4 kg CO₂/MWh -69% reduction from 2019 baseline
Auto Manufacturing (Scopes 1, 2 and 3)	157.8 g CO ₂ e/km	92.3 g CO₂e/km -41% reduction from 2019 baseline

Moving forward, we will disclose our progress against our targets annually, as well as details of how we are implementing and refining our methodology over time.

Highlights of Our Carbon CompassSM Methodology

Our approach incorporates what we believe are the most relevant, impactful, credible and decision-useful data and metrics to drive progress. Below, we highlight some key choices and considerations that we made in the development of our methodology.

Include the most relevant and impactful activities, emissions and financing. To be effective, we know the metrics we use and the emissions we measure must be based on activities that generate the most GHG emissions for each sector and that are most important for each company's transition pathway.

For example, in the Oil & Gas sector, we include both operational (Scope 1 and 2) emissions from the production and refining of oil and gas, and end-use (Scope 3) emissions associated with the ultimate combustion of that oil and gas. We also include methane emissions in addition to carbon dioxide, because methane is a

critical component of the overall global warming impact of the sector. Similarly, in the Auto sector we include U.S. light trucks in addition to global passenger cars, since most U.S. light trucks are used as passenger vehicles. For some companies, U.S. light trucks can constitute up to 30% of global passenger vehicle sales, making these vehicles material for overall emissions and for a company's ability to transition to a lower-carbon fleet.

We also include our most relevant financing in these sectors. Our approach includes both financing that we directly provide (such as through revolving credit facilities) as well as our share of facilitated financing (such as through our underwriting in debt and equity capital markets). The vast majority of this activity occurs in our CIB and CB lines of business.

Use carbon intensity because it is the most decision-useful metric for our commitment. The primary metric we are currently using to measure company and our portfolio performance is carbon intensity, which expresses emissions relative to a given unit of output (e.g., kilograms of carbon dioxide per megawatt hour of electricity generation) rather than in absolute terms (e.g., just kilograms of carbon dioxide). Carbon intensity metrics will most effectively enable us to evaluate performance at the sector and the company levels, inform our engagement with our clients and make capital allocation decisions. Evaluating these changes in performance is crucial in an economy that needs to meet the Paris objectives while still generating energy for the world's growing needs.

More specifically, carbon intensity is decision-useful and impact-oriented because it:

- Allows us to set informative targets that are aligned with science-based scenarios, which require constraining total emissions on a pathway that ultimately achieves net zero
- Enables us to meaningfully engage with new and existing clients and provide the capital necessary to help finance their transition, while reducing the carbon intensity of our portfolio
- Enables us to evaluate both individual companies' and whole sectors' performance against decarbonization trajectories that must be achieved to align with the Paris Agreement
- More effectively reflects the progress that high-emitting companies and sectors are making in transitioning to lower-carbon production and products
- Allows for easier comparison across a portfolio of companies within a sector and between companies of different sizes
- Is less affected than absolute emissions by year-to-year emissions volatility, such as changes in companies' production
- Avoids attributing market volatility (e.g., changes in company value) to our measurement of a company's emissions, which can result in incorrect signals about a client's underlying emissions performance

Base calculations on best available data – and advocate for better data. Our metrics are designed to make use of consistent, well-reported and standardized data. Where gaps do exist, we have established a detailed process for using the best available alternative data. However, more and better data is still needed. Beyond our three starting sectors in particular, measuring company emissions remains a significant challenge. Going forward, we will explore different ways to engage with industry on improving emissions data and aim to update our methodology to reflect improvements over time.

How We Will Drive Progress

Going forward, we intend to align our lending and underwriting decisions in our chosen sectors to work toward achieving our portfolio targets, which means we will work to increasingly support those companies that are helping advance the goals of the Paris Agreement, such as by expanding their investment in low- and zero-carbon energy sources and technologies and reducing their GHG emissions.

Measuring emissions performance metrics and stated targets will be a key factor in how we evaluate and make decisions about financing of clients in our chosen sectors. While our 2030 portfolio targets are primarily based on carbon intensity metrics, we will consider a variety of performance indicators in our financing decisions, such as our clients' own transition-related forward-looking commitments, business strategies and capital planning. Our targets have been developed at the portfolio level, instead of the client level, to recognize the unique challenges that exist for each sector, subsector and even each company. We also recognize that – for both our clients and our own portfolios – the pathway of forward-looking targets is unlikely to be linear, as the trajectory of transition for most companies will be driven by factors such as moments of major technological breakthroughs.

Significant amounts of capital and strategic advice will be needed to support companies through the global energy transition, and it is our objective to use our capital and expertise to encourage and help our clients make this transition. We believe our biggest impact comes from engaging with clients in these industries to inform their strategic and financial decisions. Our new [Center for Carbon Transition](#) (CCT) is vital to this overall effort. We established the CCT to manage our Paris-aligned financing commitment and engage with clients on sustainability-focused financing, research and advisory solutions to help guide their long-term business strategies. The CCT has accountability to senior leadership in our CIB and CB lines of business and will work in close partnership with teams across our business to drive achievement of our commitment.

Across the firm, JPMorgan Chase is already helping our clients raise the capital they need to build sustainable infrastructure and develop and scale new technologies and business strategies. The remainder of this section describes these efforts and the business units driving them.

Furthering Sustainable Development

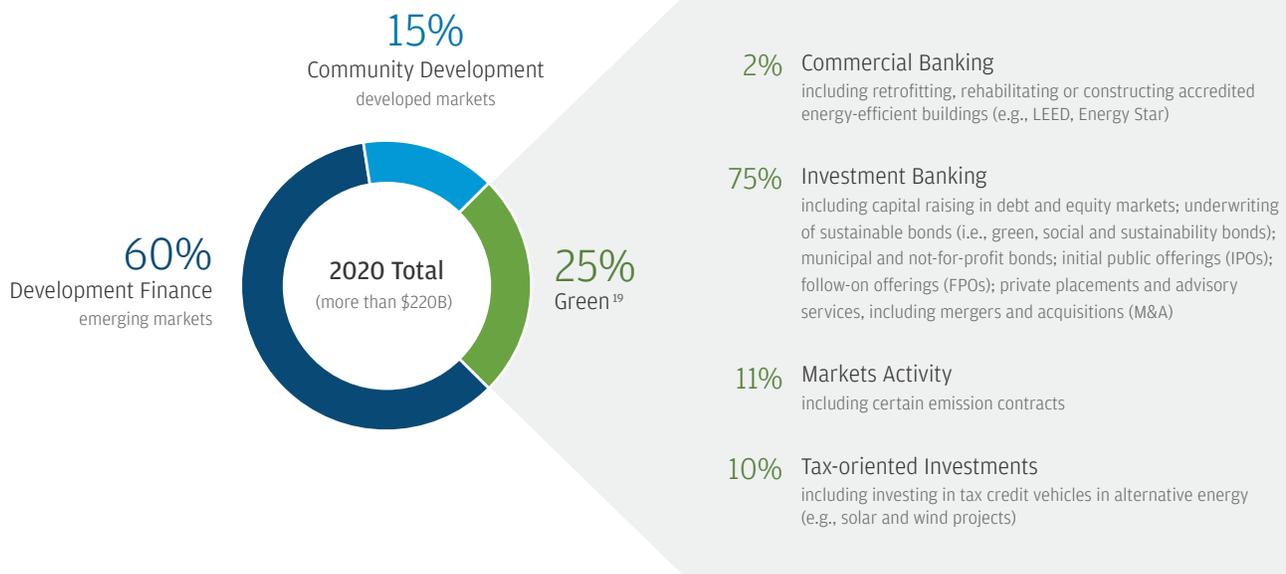
As a global financial institution, we have an opportunity to leverage our financing capabilities and expertise to help catalyze and support more sustainable and inclusive economic growth around the world. The United Nations estimates that achieving the ambitious agenda set out in the Sustainable Development Goals (SDGs) by 2030 will require \$5 to \$7 trillion per year,¹⁶ and JPMorgan Chase is working to help achieve this important goal.

In 2020, our firm committed to finance and facilitate \$200 billion to drive action on climate change and advance sustainable development. This target was a significant expansion of the previous target we set in 2017, which was to facilitate \$200 billion by 2025 in clean financing. We are proud to report we have achieved our clean financing target and exceeded our 2020 goal by facilitating more than \$220 billion in transactions during the year, including more than \$55 billion toward green initiatives. And we have raised the bar for ourselves by aiming to finance and facilitate more than \$2.5 trillion over 10 years to advance climate action and sustainable development.

Our sustainable development activities are focused in three areas:¹⁷

- ▶ **Green.** Supporting climate action, with the goal of accelerating the deployment of solutions for cleaner sources of energy and facilitating the transition to a low-carbon economy
- ▶ **Development Finance.** Mobilizing capital to advance the United Nations SDGs in emerging economies
- ▶ **Community Development.** Advancing economic inclusion in developed markets

OUR 2020 SUSTAINABLE DEVELOPMENT ACTIVITIES¹⁸



To learn more about our criteria for determining what business activity is eligible to count toward our sustainable development target and how we account for the value of transactions, see [Our Approach to Our Sustainable Development Target](#).

Green

JPMorgan Chase – principally through our CIB and CB businesses – provides strategic advice, raises capital, extends loans, and offers risk management solutions to help our clients achieve their sustainability objectives and make the transition to a low-carbon economy. Green activities eligible to contribute to our sustainable development target include renewable energy, clean technology, water and waste management, conservation, sustainable transportation, green buildings and energy efficiency.

2020 HIGHLIGHTS

Structured largest corporate sustainable bond in history.

Served as the Sustainability Bond Structuring Agent to the issuer on Alphabet's record-setting \$5.75 billion sustainability bond issued in August 2020.²⁰ Proceeds will be allocated to fund projects that are environmentally or socially responsible, including clean energy and energy efficiency, as well as support for Black entrepreneurs, small and medium businesses impacted by COVID-19, and affordable housing.

Supported the development of renewable energy.

Provided financing to support the development of ALLETE Clean Energy's largest wind farm, which produces enough renewable energy to power about 114,000 homes. Since 2003, our firm has committed over \$23.9 billion in tax equity financing for wind, solar and geothermal energy projects in the U.S., including \$5.7 billion for wind and solar projects in 2020.

We also acted as joint book-running manager and representative of the underwriters for the initial public offering of Array Technologies, one of the world's largest manufacturers of ground-mounting systems used in solar energy projects.

Developed green, affordable housing.

Provided a \$20.3 million construction loan for a 71-unit multifamily property in Brooklyn, New York. The development will be certified through Enterprise Green Communities – designed explicitly for green affordable housing construction – and will provide 70 units for extremely low-, very low- and low-income tenants,²¹ with 43 of the units reserved for formerly homeless tenants.

Sustainable Bonds

Through our business, we are a lead underwriter of sustainable bond issuances. In 2020, JPMorgan Chase was the number one underwriter of green bonds, and the firm's broker-dealer subsidiaries underwrote \$23.7 billion in green, social and sustainability bonds. Also in 2020, we completed a \$1 billion inaugural green bond issuance for which we will allocate an amount equal to the net proceeds to eligible green projects, in accordance with the JPMorgan Chase & Co. [Sustainable Bond Framework](#).

Development Finance

Through the [J.P. Morgan Development Finance Institution](#) (JPM DFI), launched in January 2020, we are working to mobilize capital to advance the SDGs in emerging economies. In consultation with leading development finance institutions, the JPM DFI has developed a methodology to measure the anticipated development impact of our transactions. By qualifying transactions with anticipated development impact, the JPM DFI seeks to expand the market for development finance and grow the pool of investors interested in transactions that offer both financial and developmental returns. Learn more in the JPM DFI's [2020 Annual Report](#).

2020 HIGHLIGHTS

Supporting the economy of the Republic of Uzbekistan. Appointed Development Finance Structuring Agent for the inaugural \$198 million local currency tranche of the Central Asian nation's sovereign issuance. Intended use of proceeds includes building 15 schools, constructing three health institutions, developing new transportation and utility infrastructure, and funding social welfare programs to support women and children. The JPM DFI mapped this issuance to SDGs 1, 3, 4, 5, 6, 8 and 9.

Expanding telecommunications infrastructure in Turkey. Provided a \$189 million loan to Türk Telekomünikasyon Anonim Şirket to allow the integrated telecommunications operator to upgrade its infrastructure. The financing aims to improve voice call quality and expand high-speed data coverage, especially in rural and suburban areas as well as in critical sectors, such as hospitals, universities and industrial zones. The upgrades are also expected to improve the energy efficiency of the mobile telecommunications network. The SDGs supported by this transaction include 7, 9 and 12.

Improving financial inclusion in India. Underwrote a \$500 million bond for a specialty finance institution in India, where the intended use of proceeds included providing financing for truck drivers who typically do not qualify for bank loans due to their lack of stable income. This issuance is expected to improve financial inclusion for workers at the base of the pyramid and supports SDG 1.

Community Development

Our sustainable development activities are focused not only in emerging economies but also in developed markets. Our community development efforts are focused on small business financing, home lending and affordable housing, education and health care, with an emphasis on Black and Latinx households and entrepreneurs. As part of this, our firm's \$30 billion [Path Forward](#) commitment will advance racial equity and provide economic opportunity to underserved communities, especially the Black and Latinx communities.

2020 HIGHLIGHTS

Expanded housing in Seattle. Committed a total of \$42 million in financing – including a construction loan, New Markets Tax Credit equity investment and Low-Income Housing Tax Credit equity investment – for phase II of Hobson Place in Seattle. Hobson Place consists of 41,000 square feet of a mixed-use integrated behavioral / primary health care clinic and 92 housing units for homeless adults with health and behavioral health care needs.

Redeveloped public housing in Boston. Committed \$24.7 million in equity to the new construction of Old Colony, a 115-unit public housing project in South Boston. Old Colony is part of the Anne M. Lynch Homes, which is one of Boston's oldest public housing projects and was originally built in 1940. All the units will serve families at or below 60% of the Area Median Income (AMI),²² with 12 of the units reserved for families at or below 30% of the AMI.

Driving Additional Sustainable Solutions Across Our Business

JPMorgan Chase is committed to supporting our clients' strategies for transitioning to a lower-carbon economy and for positioning themselves to adapt to and capitalize on opportunities to advance sustainable solutions. We leverage our deep insight into financial markets and the expertise of our bankers, risk managers, industry experts and others to help our clients achieve their goals.

Corporate & Investment Bank and Commercial Banking

We use the platforms and capabilities of JPMorgan Chase's CIB and CB businesses to support large- and medium-sized corporations, governments and institutions in managing and responding to climate change and other sustainability challenges. This includes underwriting and issuing green, social and sustainability-linked bonds and providing strategic advice, financing and risk management solutions to support clients' sustainability-focused efforts. Here are some of the additional ways we are supporting our clients:



Advancing sustainability through research. We leverage our research capabilities to advance sustainability and ESG investment strategies. In 2020, our firm published over 600 ESG-related reports to address investors' need for strategic advisory and thought-leading analysis. In particular, the J.P. Morgan Perspectives series provides a comprehensive overview of the latest developments on ESG investments and big ideas transforming investment markets. For example, we focused on how COVID-19 has impacted ESG issues across countries and regions, driving increased interest in ESG as countries made commitments to build back better and greener, and on the social element of ESG, in particular diversity and inclusion. We also introduced a Double Materiality model comparing financial and sustainability-based materiality assessments to help investors see correlations and gaps in the importance of different ESG issues.

In 2020, we continued to expand our ESG-focused indices and related scoring of organizations. For example, through J.P. Morgan ESG (JESG) – a suite of indices that integrate ESG factors into a composite benchmark – we provide scoring coverage for over 6,000 global corporate and quasi-sovereign issuers across 14 sectors and 173 sovereigns. J.P. Morgan also expanded its ESG index suite and – responding to the threefold increase in the green bond market since 2018 – launched the Green Bond Index (GENIE), which at year-end 2020 covered 455 green bonds issued by 231 issuers across 42 countries. Our ESGQ quantitative metric for stock selection helps investors pick stocks that prioritize ESG factors and covers a universe of approximately 5,500 stocks globally. In 2020, J.P. Morgan expanded its dedicated ESG research capabilities, adding ESG specialists in both our Equity Research and Global Index Research groups.



Providing ESG solutions. In 2020, our ESG Solutions team advised clients across all our major industry verticals on their responses to ESG trends, through strategic business changes, stronger commitments and increased disclosures. The team has helped enable clients' access to ESG-focused capital across equity, debt and private markets. In the past year, the firm brought a number of pioneering ESG-labeled structures to market, including green convertible bonds, sustainability-linked leveraged loans, sustainable supply chain financing and sustainability-linked derivatives. In addition, through our new structured notes issuance program, we are enabling investors to participate in reforestation and biodiversity preservation efforts in the U.S.



Establishing our new Green Economy team. Our CB business is launching an effort to support the growing number of companies in the green economy through a dedicated industry-specific coverage team. Our initial focus will be on businesses within the renewable energy, efficiency technology, sustainable finance, and agriculture and food technology sectors. We are building on our expertise to provide tailored advice and solutions to help spur the growth of green businesses and will leverage the power of the firm to help green economy clients achieve their goals, while contributing to the firm's priority of supporting a sustainable future.

Asset & Wealth Management

Sustainable investing is a priority within our AWM business, which had \$2.7 trillion in assets under management (AUM) at year-end 2020 and works with institutional, wholesale and professional clients around the world to invest capital to achieve their financial goals.

For **Asset Management**, sustainable investing is a forward-looking investment approach that aims to deliver long-term sustainable financial returns in a fast-changing world and builds on our long heritage of active management, fundamental and quantitative research, and stewardship. We believe that explicit incorporation of material environmental, social and governance information in the investment process can help to deliver enhanced risk-adjusted returns over the long run, through better-informed investment decisions and strengthened risk management, while also serving as a foundation to align portfolios with client values. Asset Management has a range of investment strategies, including ESG-integrated strategies as well as dedicated sustainable investment products that go beyond ESG integration and aim to deliver financial returns, align portfolios with client values and help meet a diverse set of goals.

We are committed to integrating ESG factors across strategies where material and relevant, as well as consistent with strategy and guidelines. In order for an investment strategy to be considered ESG integrated, it must pass through Asset Management's formal review process, which includes, among other factors, consideration of ESG factors at each stage of the investment process, including research, portfolio construction, stewardship and formal group review. As of year-end 2020, our Asset Management business had over \$2.2 trillion AUM that met our ESG integration criteria and over \$80 billion across a spectrum of sustainable investing styles that range from values-based exclusions to thematic strategies targeting sustainable solution providers. This includes over \$75 billion in our institutional business and \$5.8 billion in our suite of 18 dedicated sustainable investing products.

As a fiduciary of our clients' assets, active engagement has long been an integral part of our investment approach, and we are committed to making sure that the companies in which we invest are focused on responsible allocation of capital and long-term value creation with an investment-led, expert-driven investment stewardship approach. Climate Risk is one of our five main stewardship priorities, in addition to Governance, Strategy Alignment for the Long Term, Human Capital Management and Stakeholder Engagement. Our specialists proactively engage with issuers we deem significantly exposed to climate change to discuss corporate strategy and board of directors oversight with regard to climate-related risks and opportunities. In evaluating how to vote on environmental proposals, Asset Management considers the issues raised in the proposal in addition to fundamental differences between portfolio companies, their differentiated capital allocation strategies and their business and asset mix. More information on the factors that inform engagement efforts and subsequent voting decisions can be found in Asset Management's [Global Proxy Voting Procedures and Guidelines](#).

Our Asset Management business also supports and participates in industry advocacy efforts aimed at addressing climate change, such as the TCFD, Climate Action 100+ and the Institutional Investors Group on Climate Change. We have also increased our development of research and analytical capabilities in identifying and managing climate-related risks and opportunities. For example, in 2020 our Long Term Capital Market Assumption paper explored the macroeconomic impacts of climate transition policies.

Our **Wealth Management**²³ business has also been working diligently to expand the sustainable investment offerings across equities, fixed income, alternatives and multi-asset portfolios; there are now 113 investment strategies globally geared toward sustainable investing with \$12.6 billion in AUM, a tripling of assets over the past three years. These strategies span multiple approaches, including exclusionary screening, ESG integration, thematic investing and impact investing. We continue to develop tools to help clients achieve their sustainable investing goals and new opportunities for our clients to participate in sustainable investing vehicles. For example:

- ▶ *Global Impact Fund*. In 2020, we launched a new and innovative investment opportunity to Wealth Management clients through our Global Impact Fund. The Fund targets three significant investment themes that represent both meaningful growth opportunities and the potential to make a measurable positive impact on the world: inclusive growth, climate solutions, and health and wellness. The Fund offers a diversified portfolio of impact private investment funds constructed with the intent to advance progress toward specific United Nations SDGs. Additionally, the Fund is inclusive of diverse managers, which adds significant representation among the investment teams.
- ▶ *Sustainable Equity Strategy*. In late 2019, J.P. Morgan launched an ESG-driven, global, multi-manager equity portfolio, which has 26% lower carbon emissions compared with the benchmark, as measured by tons of carbon dioxide relative to annual revenue.²⁴ Approximately 44% of the strategy is invested in companies with "clean energy" revenues, compared with 35% in the benchmark.²⁵

In addition to offering investment opportunities, our Wealth Management business shares white papers and other resources to support our clients' interests. Over the past few years, we have shared insights on sustainability topics such as sustainable agriculture, the circular economy, electric vehicles and clean energy.

Building Community Resilience to Climate Change

Even as the world works to avoid the most severe impacts of climate change, communities globally are struggling to manage the impacts of natural disasters, such as severe weather and wildfires, many of which are exacerbated by climate change. In 2020, we enhanced our commitment to build community resilience to disasters by committing over \$5 million in philanthropic support to communities in Texas, Louisiana, Florida and California to help them develop new informational tools, models of engagement and research that will help prepare them to be more resilient in the face of the next disaster. Our firm has a long track record of supporting customers and communities after disaster strikes, and we are taking an increasingly coordinated approach to helping communities prepare to withstand these threats.

These disasters, especially those that are exacerbated by climate change, are expected to grow in frequency and severity over time and disproportionately impact the most vulnerable populations. Many of these communities are still recovering from the economic impacts of the COVID-19 pandemic as they enter their respective disaster season. Now more than ever it is important to bring impacted and vulnerable communities to the table to develop creative and innovative solutions.

Policy and Industry Engagement

Addressing complex global challenges, including climate change, requires collaboration and collective action to drive policy and identify best practices. We participate in a variety of initiatives focused on advancing sustainability within our industry and across the corporate sector broadly. As part of these efforts, we share our expertise on issues at the nexus of finance and sustainability and learn from other companies and organizations.

In 2020, we engaged in a number of efforts focused on supporting policy development, enhancing understanding and analysis of climate risk and building solutions to drive financing for the climate transition. For example:

Climate-related policy development. Tackling climate change requires broad climate policies that generate significant emissions reductions, promote innovation and minimize costs for those least able to bear them. In early 2020, as part of our active support for pricing carbon, JPMorgan Chase joined the Climate Leadership Council, a think tank that is promoting a bipartisan roadmap for a revenue-neutral carbon fee and dividend framework for the U.S.

Climate risk and scenario analysis best practice. We participated in the Climate Financial Risk Forum (CFRF), which was established by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) in the U.K. to facilitate and accelerate a shared industry approach to understanding climate financial risks and opportunities. In 2020, CFRF published a guide on emerging best practices and illustrative case studies on climate risk management, scenario analysis, disclosure and innovation. We also worked with the Portfolio Alignment Team (PAT), an industry working group established to respond to growing interest in measuring portfolios' relative alignment with the objectives of the Paris Agreement, and advance industry efforts to promote a consistent, robust and decision-useful approach. In 2020, PAT

published a report to advance the industry discussion on emerging best practices for measuring portfolio alignment, particularly in the run-up to COP26 – the next conference of nations on climate change, scheduled for November 2021 – and for the TCFD consultation on forward-looking metrics. We also participated in the Commodity Futures Trading Commission's Climate-Related Market Risk Subcommittee of the Market Risk Advisory Committee. In 2020, this cross-sector group published a report presenting recommendations to mitigate the risks to financial institutions and markets posed by climate change.

Transition finance. We work with a range of external groups to help advance strategies for financing the transition to a lower-carbon economy. In 2020, the firm became a founding partner of RMI's Center for Climate-Aligned Finance, which is developing practical solutions for financial institutions seeking to pursue the goals of the Paris Agreement in relation to relevant business activities. We also co-chaired the working group that developed the Climate Transition Finance Handbook, the product of over a year's work by a diverse set of stakeholders participating in the International Capital Market Association's Climate Transition Finance Working Group.

Resources and Endnotes

Additional Resources

- Annual Report (2020)
- Board Committees
- Business Principles
- Carbon Compass Methodology
- Center for Carbon Transition
- Code of Conduct
- Code of Ethics for Finance Professionals
- Commitment to Advance Racial Equity Information
- Corporate Governance Principles
- COVID-19 Response
- Diversity and Inclusion Information
- Environmental and Social Policy Framework
- Equal Opportunity, Anti-Discrimination and Anti-Harassment Statement
- Equator Principles Report
- ESG Information
- ESG Report Appendices (2020)
- ESG Report and Appendices Archives
- How We Do Business – The Report
- Human Rights Statement
- JPMorgan Chase Institute
- JPMorgan Chase *PolicyCenter*
- J.P. Morgan Development Finance Institution
- Modern Slavery Group Statement
- Our Impact Information
- Political Engagement and Public Policy Statement
- Proxy Statement (2021)
- Supplier Information
- Sustainability Information
- Sustainable Bond Framework
- Sustainable Development Target Approach
- Sustainable Investing – Asset Management
- Sustainable Investing – Wealth Management
- TCFD Climate Report (2019)
- Workforce Composition Disclosure (2020)

- 1 Effective in the first quarter of 2021, the Wealth Management business was renamed Global Private Bank.
- 2 [As Many Americans Have Criminal Records as College Diplomats](#) (Brennan Center)
- 3 [U.S. Financial Health Pulse: 2019 Trends Report](#) (Financial Health Network)
- 4 [Racial Gaps in Financial Outcomes](#) (JPMorgan Chase Institute)
- 5 [Report on the Economic Well-being of U.S. Households in 2018](#) (The Federal Reserve)
- 6 [How Housing Can Determine Educational, Health and Economic Outcomes](#) (Urban Institute)
- 7 [COVID-19 Is Killing Affordable Housing, Just as It's Needed the Most](#) (Bloomberg CityLab)
- 8 [Strong Foundations: Financial Security Starts with Affordable Housing](#) (The Aspen Institute)
- 9 [The Gap: A Shortage of Affordable Homes](#) (National Low Income Housing Coalition)
- 10 [Black and Hispanic Renters Face Greatest Threat of Eviction in Pandemic](#) (Joint Center for Housing Studies of Harvard University)
- 11 [The State of the Nation's Housing 2020](#) (Joint Center for Housing Studies of Harvard University)
- 12 [Rethinking Homeownership Incentives to Improve Household Financial Security and Shrink the Racial Wealth Gap](#) (Brookings Institution)
- 13 IEA (2020), [Global Energy Review 2020](#), IEA, Paris
- 14 IEA, [Global CO2 emissions by sector](#), 2018, IEA, Paris
- 15 [Climate Finance Markets and the Real Economy](#) (SIFMA)
- 16 [Impact Investment to Close the SDG Funding Gap](#) (United Nations Development Programme)
- 17 In 2020, we described our areas of focus as Green, Economic Development and Social. We refined the descriptions to isolate the work of our Development Finance Institution, which is focused on advancing the United Nations SDGs in emerging economies.
- 18 Numbers reported here are approximate and not exact.
- 19 In the case of a transaction that advances both our Green objective and either our Development Finance or our Community Development objective, the transaction will be counted toward our target only once and toward the Green objective. In 2020, approximately \$5 billion in transactions were qualified as Development Finance and Green and were allocated to our Green objective.
- 20 In this case, \$5.75 billion is the full deal amount. Per Our Approach to Our Sustainable Development Target, we specify standards for calculating the tracking value of the firm's respective contribution in transactions where multiple firms play a role and follow best practices where possible.
- 21 Based on definitions from the U.S. Department of Housing and Urban Development (HUD).
- 22 Area Median Income (AMI) is defined each year by HUD.
- 23 See Endnote 1.
- 24 Based on MSCI's Climate Change Metrics and is calculated as the portfolio weighted average of issuer carbon intensity.
- 25 Based on MSCI's Climate Change Metrics and is calculated as the portfolio weight of companies offering clean tech solutions. Clean energy companies have revenues derived from alternative energy, energy efficiency, green buildings, pollution prevention and sustainable water.

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties, many of which are beyond JPMorgan Chase's control. Expected results or actions may differ from the anticipated goals and targets set forth in the forward-looking statements. Factors that could cause JPMorgan Chase's actual results to differ materially from those described in the forward-looking statements can be found in JPMorgan Chase's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission. Those reports are available on JPMorgan Chase's website (<https://jpmorganchaseco.gcs-web.com/financial-information/sec-filings>) and on the Securities and Exchange Commission's website (www.sec.gov). JPMorgan Chase does not undertake to update any forward-looking statements.

Contact Us

To contact Sustainability, email sustainability.jpmc@jpmchase.com.

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

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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