2025 INVESTOR DAY – HIGHLIGHTS

TRANSCRIPT

May 19, 2025

JPMorganChase

MANAGEMENT DISCUSSION SECTION

Jeremy Barnum

Chief Financial Officer, JPMorganChase

We serve 84 million U.S. customers, we have $4 trillion in AUM, over 90% of Fortune 500 companies do business with us, and we operate in over 100 markets globally. As we've said before, you cannot outgrow us. While we are incredibly proud of these results, our focus is on the future, both operating in the near-term and being prepared for the long-term. We will continue to invest, maintain discipline and push ourselves to keep getting better.

Obviously, our core philosophy hasn't changed. We invest through the cycle and where it makes sense for the long-term. We are very focused on making sure that our commitment to investing through-the-cycle is not misinterpreted by our own people. It is not carte blanche for solving every problem by adding resources. We must invest prudently and constantly to increase efficiency. 2024 was a pivotal year in making progress on that, with the launch of our flagship model-agnostic generative AI platform, which we call LLM Suite. While we've made substantial progress over the last decade, we are still in the early stages of our AI journey. We are focused on modernizing data, investing in scalable platforms and being at the forefront of innovation as technology evolves, positioning the company for sustained future success.

We do feel strongly that it's the right time for regulators to look back at the last 10 years of capital and liquidity rules holistically and determine what makes sense going forward.

We often get the question of whether we should, in light of recent results and the simulations I just discussed, change the ROTCE target. It's an important question that is worth addressing in some detail, because it highlights some key elements of our capital deployment philosophy. But before going into that, I want to direct your attention to the left-hand side of the page to make the point that no matter how you slice it, 17% is an exceptional return.

If we simply maximize ROE, we will become a tiny company and keep only the highest returning businesses, while returning the rest of the capital to shareholders, and I think it's safe to say that you wouldn't want us to do that. This highlights the fundamental tension between maximizing ROE and maximizing shareholder value, and we are in the business of maximizing long-term shareholder value.

Marianne Lake

Chief Executive Officer of Consumer & Community Banking

We are complete. Number one in our core businesses with a full set of products and services, and scaling adjacencies in Wealth Management and Connected Commerce. We're national with 5,000 branches across 48 states and the number one digital banking platform in the U.S. We're diversified, supporting best-in-class through-the-cycle returns, and we are at scale, having deep relationships with more than 91 million customers across segments.

2024 was another year of best-in-class financial performance, with an ROE exceeding 25% on both a reported and a normalized basis. We are outgrowing the competition in deposits with a 7% CAGR in Consumer and 12% in Business Banking driven by the strength and consistency in customer acquisition and contribution from investments in new branches. We are outpacing the competition and making steady progress towards 15% deposit share, and 20% share of Card outstandings.

We are setting goals to double again each of Connected Commerce and Wealth Management. For Connected Commerce to reach 10% of addressable spend on our platform, and to reach $2 trillion of client investment assets in Wealth Management. The environment is very challenging for Home Lending and uncertain for Auto right now. But we remain committed to these businesses through the cycle. We operate from a position of strength, we are a growth franchise and we're gaining share broadly across businesses. We're not big braggers, but we are proud of this performance. Don't let the rankings on the page fool you. We're also not complacent. There's always more to do and we are getting at it, consistently investing in bankers, advisors, branches, marketing, tech, AI and customer experience more broadly.

These investments and the discipline we bring to them will differentiate us in the years to come. And while the environment today is highly uncertain, we have a track record of proven capital, liquidity and risk management. We are excited and we are confident about the future and remain committed to a 25% return through-the-cycle.

Mary Callahan Erdoes
Chief Executive Officer of Asset & Wealth Management

I always enjoy going through Asset and Wealth Management because for all of you, I think it's really like a microcosm of the whole company in many ways...

Jamie Dimon
Chairman & Chief Executive Officer, JPMorganChase

With the highest returns.

Mary Callahan Erdoes
Chief Executive Officer of Asset & Wealth Management

...and the highest returns. Thank you, Jamie.

We are, first and foremost, a fiduciary. We are the fiduciary arm of the business. We now have over $6 trillion in assets that are entrusted with us from the sovereign wealth funds of the world to the first-time savers that we talked about in the Wealth Management spectrum, when they walk into a branch and they think about investing in the stock market or the bond market.

Why can we have the largest investment spend in our history? Because the results speak for themselves here at the bottom. You can see just over the past two years, we've had $1 trillion in new clients giving assets to us, and we have a very healthy 34% margin and a 34% ROE.

How does this actually work, how does the Asset and Wealth Management investments work in the Chase branch? We think it is really important that no matter where you come into this institution, you get the best advice. “Bank with Chase and Invest with J.P. Morgan.”

The first and foremost important investment we make every single morning of every single day is investing in active management.

And if you look at what we are, we are not number one in AUM, but we are number one in flows. And for shareholders, that's the most exciting thing with tremendous upside here.

But the real cracking of the code is the middle. You can hire these people, or you can grow these people. And in fact, now, half of our new advisors come from growing them from within. And if you look at that right hand side, you say, how is that possible that you made that productivity go up? And it is a combination of – one thing I'm going to show you here, which is training and the next thing I'm going to talk about in two slides, which is our technology investing and what AI is doing for this. We have immersed ourselves in an AI-first mindset across all that we do. And AI is not just a tool, it's reimagining workflows and it's changing the loading capacities for thousands of people on the frontline and in the back. We've looked at AI across many different industries and J.P. Morgan's playing an entirely different game.

Asset management firms are viewed on flows and banks are viewed on ROE, and we think we've created the equation that hits both. And so you see on the left, we were sort of mediocre on both of those sides just five years ago, and our PTI back then was about $3 billion. We have doubled it. The size of the bubble is $7 billion. We're the only asset management firm to have doubled PTI of our publicly traded peers. And in fact, we are now really proud of where we stand on that chart.

Doug Petno
Co-CEO of Commercial & Investment Bank

The new CIB is designed to best serve our clients, creating a single wholesale operating entity, four business units tightly knit with a very clear strategy to be our clients' most important financial partner. Our diversified business model provides for more enduring, repeatable revenues and financial performance through-the-cycle. And this gives us stamina, especially in volatile markets, which lets us make sustained investments in the long term. With whitespace across CIB, we are executing multiple growth initiatives, focused on expanding and deepening our client franchise.

In 2024, we generated total revenues of $70 billion, net income of $25 billion, and a return on equity of 18%. Over the last five years, we've seen steady growth in revenues and our earnings have grown at a compounded annual growth rate of 9%. We're only beginning to see the full potential of our interconnected businesses. Our coverage and product teams are even more closely aligned, segmented and focused, delivering deep industry and market expertise.

We are immensely grateful for the trust that our clients place in us every day. It's something we never take for granted. So to add even more value to our clients and to best compete in the future, we're going to continue to invest in our franchise and we're going to continue to evolve our business.

Troy Rohrbaugh
Co-CEO of Commercial & Investment Bank

Importantly, we've continued to deliver the best-in-class operating margin of 32%, which is the outcome of years of investing in our platforms and thoughtfully partnering and growing with our clients. Our intense client-centric focus allows us to meet our clients' needs through the trade lifecycle.

Our number one ranked Research organization delivers best-in-class content and insights to clients, with over 90,000 active users on our J.P. Morgan Markets portal. In Trading, we ranked top two in 11 of the 13 sub-products. For the past 15 years, we've been number one in Global Investment Banking fees. And last year, for the first time, we took a full sweep of number one across M&A, DCM and ECM. However, the race at the top is tight, which is why we continue to focus diligently, product-by-product, sub-sector by -sub-sector.

As we said earlier, we are one face to large market ecosystems. And Private Credit is no exception. We talked about this last year and we've made real progress since then. We believe that we are uniquely positioned to sit at the center of this ecosystem. And our public commitment to Direct Lending speaks for itself, $50 billion from our own balance sheet, alongside nearly $15 billion from our co-lending partners.

Max Neukirchen
Co-Head of J.P. Morgan Global Payments

We offer comprehensive solutions tailored to their specific needs – from digital-first products to support start-ups, to complex global solutions for multi-national companies. And our scale is unmatched. We serve 20 of the largest 20 companies on the planet. We cover 80% of the Fortune 500 and we are number one in U.S. Middle Market.

Umar Farooq
Co-Head of J.P. Morgan Global Payments

Our double-digit growth in fee revenue is a testament to building a modern, highly scalable and resilient platform. We have an incredibly powerful franchise that we deliver to our clients, large and small, across the globe. They choose us as their primary operating bank because of the safety, the scale and innovation we deliver every single day.

Jamie Dimon
Chairman & Chief Executive Officer, JPMorganChase

The most important thing when it gets handed over, you have real teams, real cultures, and hopefully they keep on building it. If you look at the best companies in the world, that's what they had. Okay. They continue going forward regardless of necessarily who the CEO was.

You have to be very careful about how you deploy capital. I did write this down because organic growth, somebody asked the question. Organic growth could be building technology, it could be adding bankers, it could be adding balance sheet.

In our business, I have to say this, revenues and expenses are artificial concepts that can lead you to the wrong place. Those branches and bankers that you hire are expenses, but they are long-term investments. Technology you build are expenses, and a lot of revenues are bad. If you make loans with the wrong people at the wrong time at the wrong price, it's bad. You could add revenues and you're adding a lot of risk.

There's a lot of competition and you have to be prepared every day to make the investment you need to do in your people, your systems, your ops, your culture and stuff like that to actually win.

JPMorgan will do fine. It doesn't affect what these guys – what we all do every day up here: serving clients, doing a good job, we'll be able to navigate whatever the regulatory rules are.

JPMorgan will perform for shareholders, whether it gets better or not. Again, if everyone gets – if we all had the same rules and regulations, we'd all benefit the same. So my competition gets it the same way I get it. So I'm not sitting here saying this is going to be great. I think it's a mistake for you all to think that somehow the margins in the business will go up. No. When people compete with each other, those margins will be competed away. The people who would perform the best are people who run the best businesses.

I think credit today is a bad risk. I think that people who haven't been through major downturns are missing the point about what can happen in credit. And then there will be a huge opportunity for this company, too. That's the other thing about downturns. In a downturn, my experience has always been, the good companies benefit from a downturn. Not your short-term profits, but your long-term company, and you earn your stripes with your clients in a downturn.

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