2012 HIGHLIGHTS

SERVING CLIENTS IN GOOD TIMES AND BAD
Provided credit and raised capital of over $1.8 trillion for our clients worldwide. This included continuing to provide billions of dollars in credit and financing to European clients – corporate and sovereign – even as their economies came under increasing strain. J.P. Morgan has been in Europe for more than 150 years and is committed to being a reliable partner in good times and bad to serve countries, clients, nonprofits and communities across the region.

STRENGTHENING COMMUNITIES
Exceeded the 10-year, $800 billion Public Commitment we made in 2004 to make loans and investments for housing, small businesses and community development in the U.S. By the end of 2012 – one year ahead of schedule – we had lent or invested $844 billion in mortgages, small business and nonprofit loans and affordable housing, primarily for minority or lower-income borrowers and communities.

BANKING UNDERSERVED CUSTOMERS
Introduced Chase Liquid, a general purpose reloadable card that is a low-cost alternative to traditional checking accounts and designed to bring underserved customers into the traditional banking system.

HONORING MILITARY AND VETERANS
Worked with coalition firms to grow the 100,000 Jobs Mission to 91 companies that have hired more than 51,000 American veterans in just under two years – well ahead of the goal to hire 100,000 veterans by 2020. JPMorgan Chase alone hired nearly 5,000 veterans by the end of 2012, and we work every day to provide them with the tools to have a meaningful career.

PROMOTING SUSTAINABILITY
Helped deploy over $5 billion of capital for alternative energy and clean technology companies and projects, including over $1.6 billion in tax equity for renewable energy. We also do our part to be environmentally responsible in our own operations. Our global headquarters in New York City continues to be the largest LEED Platinum-certified renovation in the world.

GIVING AND VOLUNTEERING
Made more than $190 million in philanthropic donations to nonprofits in 37 countries around the world to support community development, education and workforce development, while our people provided 468,000 hours of volunteer service in local communities around the globe.

$1.8t
capital raised and credit provided globally

$844b
exceeded our 10-year community development commitment

65%
of Chase Liquid® customers are new to our company

100,000
spearheading industry-wide initiative to hire 100,000 veterans by 2020

$5b
for clean technology

$190m
in donations and 468,000 hours of volunteering
JAMIE DIMON

Jamie Dimon is Chairman and Chief Executive Officer of JPMorgan Chase. In early 2013, Jamie sat down with Mark Tercek of The Nature Conservancy to discuss JPMorgan Chase’s approach to corporate responsibility and Jamie’s views on the role of the financial industry in society.

MARK TERCEK

Mark Tercek is President and Chief Executive Officer of The Nature Conservancy, a leading conservation organization working around the world to protect ecologically important lands and waters for nature and people. JPMorgan Chase is collaborating with The Nature Conservancy on a variety of efforts, including supporting the Conservancy to help it expand its work on responsible development of shale resources in the U.S.

Q&A

Mark Tercek (left) interviews Jamie Dimon (right)

Q: In the wake of the financial crisis, your industry continues to face high scrutiny and low trust. How is society better off because of what JPMorgan Chase does?

A: I can understand why the financial services industry has lost the confidence of many people. Like all companies, we’ve made mistakes. What is most important, however, is that we need to learn from them, continually improve and become a stronger company. We also shouldn’t let our mistakes distract us from the critical role large banks play in driving economic growth. We have the scale and expertise to lend, invest and raise capital for companies of all sizes – both companies based in the U.S. who use our services internationally to grow their businesses and those companies based around the globe who want to expand into even more markets. Their growth plans require banks that have the global reach and scale with which we operate – which includes arranging $450 billion of syndicated loans for clients, and processing up to $10 trillion a day in transactions around the world. If we can help these clients grow, they will in turn generate the jobs, small business growth and other economic activity that builds strong, vibrant communities and generates more sustainable economic growth and prosperity for all.

Q: There is a perception that global financial institutions have gotten too big and too complex to effectively manage or regulate. What can you say to give people confidence that companies like JPMorgan Chase are effectively managing risk?

A: Challenges still exist, and there is always room for improvement, but as we head well into 2013, we’re proud of our accomplishments and are optimistic for the future. That said, as we look back at last year, there are some areas where we fell short in our risk management – the “London Whale” is one example but there are others. These problems were our fault and it is our job to fix them. Therefore, we’re making our control agenda priority #1 – reprioritizing major projects, deploying massive new resources, and changing our organizational structure to get this right. In my annual letter to shareholders, I describe our approach in detail because I want everyone to know that we’re focusing
IN CONVERSATION WITH JAMIE DIMON

an enormous amount of energy and management time on our risk management, compliance and controls. Our goal is to have a strong, effective control environment across the company. We want the public, our regulators and our shareholders to have confidence that we are the safest and soundest bank on the planet. We were a port of safety in the last storm, and will be one in the next storm.

Q: As one of the world’s leading banks, JPMorgan Chase is well-positioned to influence the business practices of major companies – including their environmental and social practices. What role do you see for JPMorgan Chase here?

A: We obviously want to invest in and lend to companies that are well-run and successful – that’s good business for us. And we believe that how our clients manage environmental and social issues is an important aspect of sound management. We take a serious look at their practices on those issues – and where we don’t think they are doing a good job, we give them specific feedback. Sometimes we even require them to improve their operations before we’ll do business with them. Those can be tough conversations but, more often than not, they are constructive and our clients feel we provide value by working with them to help improve performance. It’s a difficult area to demonstrate impact, however, since much of the work we do is behind the scenes. But that’s actually why we’re able to have an impact with our advice – we are a trusted partner, with a vested interest in our clients’ success.

Q: So do you ever decline business with a company because it has poor environmental or social practices?

A: Yes. Our first step is to engage with companies to encourage them to improve their practices. We think this leads to better social or environmental outcomes than us simply walking away – and those companies getting financing elsewhere, potentially from a bank less concerned with their practices. But there are instances in which we don’t feel we can adequately mitigate the environmental or social risks and we decline the business.

Q: Economists and scientists are developing new ways to value nature as an input to business. What is the financial sector’s role in encouraging companies to consider the value of nature’s services – clean water and air, protection from floods and storms, healthy topsoil and so on – as part of their routine decisions?

A: We spend a lot of time helping clients in the extractive industries operate as sustainably as possible – working with them to think about and address the environmental and social issues that arise in the course of their operations. An example: we are working with our clients to make sure their fracking operations are well-managed, so that we can all reap the benefits of cleaner burning natural gas. We want to make sure we promote the strongest environmental performance possible for this sector.

We are also trying to identify, develop and market new financial products that are designed to facilitate environmental solutions. These models put a dollar value on nature’s services and on better environmental outcomes – clean drinking water, expanded access to recreation, abundant sources of food, clean energy and sustainably sourced fiber – and use cash flows from those services to provide a return to investors. JPMorgan Chase cannot do this alone, but I believe we have the commitment and the partnerships necessary to test these models, and potentially scale the most successful ones to raise billions for companies that are improving the environment and earning strong financial returns.

If we can help our clients grow around the world, they will in turn generate the jobs, small business growth and other economic activity that builds strong, vibrant communities and generates more sustainable economic growth and prosperity for all.

Jamie Dimon,
Chairman and CEO
JPMorgan Chase is a global financial services firm with assets of $2.4 trillion at the end of 2012. We are a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity (see inside back cover for details).

This report is designed to provide our stakeholders with information about our company’s corporate responsibility programs and progress. This is a summary of our full 2012 Corporate Responsibility Report, which will be available as a PDF on our website soon.
Five years after the global financial crisis began, 2012 saw the economic tide begin to turn. Housing markets started to stabilize, economies around the world slowly found their footing and unemployment rates inched down.

At JPMorgan Chase, we remain optimistic that better days are ahead, but far too many people are looking for jobs, governments are facing severe fiscal constraints and vital social service providers are stretched thin trying to serve millions struggling to make ends meet.

As the financial crisis in the U.S. and the ongoing challenges in Europe have demonstrated, the world is more complex and our economies more interconnected than at any time in history. Populations are growing rapidly and are migrating to urban areas, creating the need for new jobs and putting pressure on local infrastructure, public services and natural resources. And political instability, fueled in part by lack of economic opportunity, is sending ripples around the globe.

At the core of our values, JPMorgan Chase believes that using our strength and global reach, our expertise and relationships and, of course, our access to capital to support our clients and communities, invest in them and help them navigate a complex global economy is our unique and fundamental corporate responsibility. This is central to how we do business. Because when we are successful, we create the foundation for widely shared growth and long-term prosperity.

2012 Results

There was a lot for us to be proud of during the last year. At a time when job creation is top of mind, we increased our lending to small businesses by 18% over 2011; provided $6 billion to low- and moderate-income individuals and communities through our community development work; and worked to improve the lives of underserved people around the globe by growing our impact investment portfolio to nearly $50 million.

We also worked with municipal governments to finance investments in infrastructure, education and economic development that make cities globally competitive – and we leveraged our global footprint to connect economic leaders around the world through our Global Cities Initiative with The Brookings Institution. We advanced environmental stewardship and innovation across our lines of business in close partnership with clients and through careful management of our direct operations. Our company and people donated significant amounts of time and money to help local charities everywhere we operate. And we continued to uphold our duty to support the military men and women who bravely serve the U.S.

Taken together, these efforts reflect our responsibility to invest in our communities across the globe – and we are committed to doing more in the years ahead. We know that to make progress, we need to operate with integrity, acknowledge and fix our mistakes, and continually strive to gain the confidence of all our stakeholders. This is what motivates us every day.
Today, the financial industry is at the center of intense public debate about its responsibilities and role in society.

These are fair questions and we understand the scrutiny: our industry has made mistakes. We know it, and we have owned up to it. As challenging as the recent period has been, at JPMorgan Chase we look at it not only as an opportunity to reshape how banking is done, but also as a call to provide new answers for why it gets done.

Financial firms have always served a vitally important role in the economy by providing individuals and organizations with the capital and credit they need to operate and to grow, provide employment and create the products and services people need. And JPMorgan Chase does this on an enormous scale. But today, doing business as usual is not sufficient. Rather, we believe we have an affirmative responsibility to play an even bigger role in helping solve the economic, social and environmental challenges of the day.

One of the key assets we bring to the search for solutions is our scale: it gives us the capability to connect capital, ideas and people around the globe. It enables us to help businesses access and navigate global markets, bring together funds of sufficient magnitude to address significant societal needs and develop the expertise and broad perspective to be a trusted advisor to our clients.

Equally as important as our global scale are our deep connections at the local level. Our 5,600 branches and long-standing community development, public finance and philanthropic programs in thousands of communities around the world enable us to play a hands-on role helping to address their specific challenges.

In our view, the tension between global finance and community banking is a false one. On the contrary, both are necessary for vibrant, broad-based economic development. And JPMorgan Chase’s ability to bring all our assets to bear, at all levels, gives us our unique capability – and a unique responsibility – to help enable and catalyze economic growth and, in the process, improve quality of life around the world.

We do not claim that we have figured it all out – or gotten it all right – but we are embracing our responsibility to be part of the solution.
GLOBAL STRENGTH, LOCAL IMPACT

JPMorgan Chase believes that using our strength and global reach, our expertise and relationships - and of course our access to capital - to support our clients and communities, invest in them and help them navigate a complex global economy, is our unique and fundamental corporate responsibility. That is why, every day, we are working to be part of the solution.

GLOBAL CHALLENGES

ECONOMIC RECOVERY

While many economies are recovering from the global financial crisis, governments, companies and individuals around the world continue to struggle to access the economic opportunities and resources needed for financial security.

POPPULATION GROWTH AND URBANIZATION

The population living in urban areas will increase dramatically, putting new pressures on local infrastructure, resources and economies. 70% of global population will live in urban areas in 2050 - equal to the world’s total population in 2002.

PUBLIC SECTOR CONSTRAINTS

Local and national governments around the world are facing historic fiscal constraints, limiting their ability to provide social services and fulfill other public mandates.

UNEMPLOYMENT

Millions of productive people around the world are looking for employment, while job creation has lagged other aspects of the economic recovery. 600m jobs will need to be created globally over the next decade.

ENERGY AND CLIMATE CHANGE

Demand for energy to fuel economic growth is soaring, while the effects of climate change are increasingly apparent around the world.

OUR INVESTMENT

FINANCIAL CAPITAL

In 2012, JPMorgan Chase raised capital and provided credit of over $1.8 trillion for businesses, governments, nonprofit organizations and consumers to enable them to operate, grow and invest in the future.

INTELLECTUAL CAPITAL

Our deep expertise and global network of relationships enable us to connect people and ideas and serve as a trusted advisor to our clients.

HUMAN CAPITAL

Our employees around the world work every day to serve our clients and give back to the communities where we operate.

1 Source: United Nations
2 Source: International Labour Organization
Corporate responsibility summary report 2012

Our approach: adding value operating responsibly

Corporate responsibility at JPMorgan Chase

Our scale and scope:

- 260,000 employees globally providing support to our clients 24 hours a day, 365 days a year
- 50m customers – individuals, companies, governments and nonprofits – we serve every day, in more than 100 markets around the world
- $10t amount of transactions we can process in a single day, and we lend and raise capital of nearly $500 billion a quarter

Our part of the solution:

**Global Cities Initiative**
Launched a five-year, $10 million initiative, in partnership with The Brookings Institution, to bolster economic growth by strengthening trade and investment ties between cities in the U.S. and across the globe.

**Impact Investing**
Grew our Social Finance principal investments to nearly $50 million in commitments for funds focused on helping improve the livelihoods and quality of life of people living in poverty around the world, with a particular focus in emerging markets.

**Government and Nonprofit Financing**
Raised capital and provided credit of $85 billion to nearly 1,500 nonprofit and government entities in 2012 to help them fulfill their vital public mandates.

**Giving and Volunteering**
Donated more than $190 million to nonprofits in 37 countries to support community development, education and workforce development, while our people provided 468,000 hours of volunteer service in local communities around the globe.

**Small Business Lending**
Provided $20 billion in new credit to U.S. small businesses, up 18% over 2011, and ranked #1 Small Business Administration lender by units for the third year in a row.

**Home Lending**
Originated nearly $190 billion in loans for home purchase or refinance in 2012. Since 2009, we have prevented more than 945,000 foreclosures through mortgage modifications, short sales and other means.

**Community Development**
Provided $6 billion to low- and moderate-income communities in 2012 to finance affordable housing, healthcare clinics, manufacturing capacity, schools and other essentials of strong communities.

**Careers for Veterans**
Directly hired nearly 5,000 veterans in 2011 and 2012 and worked with coalition firms to grow the 100,000 Jobs Mission to 91 companies that collectively have hired more than 51,000 American veterans.

**Environmental and Social Risk Management**
Assessed the environmental and social risks related to 251 of our business transactions in 2012 and built a risk assessment framework to consistently and comprehensively assess our clients’ policies and practices for hydraulic fracturing.

**Clean Energy Investments**
Helped deploy over $5 billion of capital for alternative energy and clean technology projects in 2012, including over $1.6 billion in tax equity for renewable energy.

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**Clean Energy Investments**
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We are using our full suite of resources and capabilities – from our traditional lending and financing activities and community development banking to impact investing and philanthropic giving – to create widely shared economic and social value for our clients and the communities where we operate around the world.

**GROWING ECONOMIES**

- **HELPING SMALL BUSINESSES GROW 8**
  Helping businesses access the capital and resources they need to succeed.

- **FINANCING GOVERNMENTS AND NONPROFITS 10**
  Helping public sector clients fulfill their vital public mandates.

**STRENGTHENING COMMUNITIES**

- **BUILDING VIBRANT COMMUNITIES 13**
  Making loans, grants and other investments to strengthen low- and moderate-income communities.

- **INVESTING FOR SOCIAL IMPACT 16**
  Providing capital and expertise to create measurable social impact.

- **SERVING AMERICA’S MILITARY AND VETERAN COMMUNITIES 18**
  Supporting servicemembers through employment, homeownership and education.
In 2012, JPMorgan Chase raised capital and provided credit of over $1.8 trillion for organizations of all sizes. As a financial institution, that is our core business. But we believe that when we do our business responsibly and successfully, we make an essential contribution to society by supporting and enabling economic development.

And every day around the world, JPMorgan Chase is doing that by working with business owners, public officials and chief executives of organizations large and small, raising the capital or making the loans they need to improve their economies, expand their businesses, open new factories and stores, hire new employees and improve the lives of their citizens.

Our financial strength, global scale and dedicated expertise enable us to be a partner to governments, international organizations and multinational corporations. At the same time, our on-the-ground presence in thousands of communities enables us to meet the needs of small businesses, local nonprofits and individual consumers. When we serve our clients well, we keep our company strong – and we help the economy recover and grow.
GROWING OUR SMALL BUSINESS LENDING:
Even during challenging economic times, we have continued to grow our small business lending. From 2009–2011 – during the worst of the recession – we made specific annual pledges to increase our small business lending as a way to contribute to the economic recovery.

- **2012** - $20 billion actual
- **2011** - $17 billion actual ($12 billion pledge)
- **2010** - $11.2 billion actual ($10 billion pledge)
- **2009** - $7.2 billion actual ($6 billion pledge)

80% increase in lending to U.S. small businesses since 2010

While we are committed to helping businesses of all sizes grow and succeed, we believe we have a particular responsibility to help small businesses access the capital and other resources they need. Small businesses help local economies flourish, create jobs and promote innovation.

In 2012, for the third year in a row, we were the largest provider of U.S. Small Business Administration (SBA) loans by units, approving 4,838 SBA loans in the SBA’s fiscal year 2012, for a total of $887 million. The SBA program supports small businesses that may be less able to qualify for conventional financing through access to government-backed loans. We see the program as a vital tool to help local economies grow, and we have been one of the leading proponents of SBA lending in our industry.

Finding Solutions That Work for all Our Customers
One of the reasons we have been a leader in SBA lending – we approve 40% more SBA loans than our nearest competitor – is that we draw on all available tools to identify a financing solution that works for us and for the business owner. Our philosophy is to work to find a way to say “yes” – as opposed to looking for a reason to say “no.” So, for businesses that do not qualify under our guidelines for conventional loans, we explore all the available SBA loan solutions. We are also willing to provide a broader range of loan sizes than our competitors – including very small loans – because we believe that all businesses, regardless of size, should have the opportunity to grow.
Helping Small Businesses Grow

Providing Tools for Small Business Owners

While financing is one of the critical services we provide, we also offer a range of tools, advice and other resources to help small businesses succeed. Running a small business is hard – and we know that small business owners are still facing many challenges from the economic upheaval of the past five years.

We offer a variety of training and networking opportunities, free of charge, to help our small business customers learn key skills and gain access to world-class information. We also offer a range of products and services specifically designed to meet the needs of small businesses.

Growing Small Businesses Through Social Media

In 2012, Chase provided $3 million in grants to small businesses in the U.S. through our Mission: Small BusinessSM program. The goal of the program, conducted in partnership with LivingSocial and with the support of the U.S. Chamber of Commerce, was to find innovative small business owners and provide them with the solutions and capital they needed to grow. The 12 ultimate winners, selected from nearly 70,000 entrants by millions of consumer votes and a panel of experts, included a range of exciting small businesses, such as:

- EcoScraps, a Salt Lake City, UT-based provider of sustainable, organic, chemical- and manure-free lawn products.
- Carmin Industries, a Jacksonville, AL-based Economically Disadvantaged Woman-Owned Small Business and Service Disabled Veteran-Owned Small Business that specializes in parts for the architectural, aerospace, defense and commercial industries.
- RonWear Port-able Clothing®, a Beachwood, OH-based woman-owned business that produces “port friendly” clothing for patients undergoing chemotherapy, dialysis or other infusion therapy.

Accelerating Small Business Growth in South Africa

In South Africa, small businesses are key to expanding employment and economic growth, but many lack access to the expertise and services they need to grow. In 2012, we committed to donate more than $1 million to launch the SME Catalyst for Growth Program, an initiative that provides small and medium-sized enterprises (SME) with access to hard-to-obtain quality business development services such as technical skills training, mentoring and help in accessing markets and finance. This program will create a framework for assessing the quality and impact of these services, helping both financiers and enterprises invest wisely in the sector, and contributing to South Africa’s economic growth.

“J.P. Morgan has done an effective job of reaching small and medium-sized businesses. They’re a great partner in ensuring that American exporters have access to the financing they need to grow their companies and succeed in the international market.”

Fred P. Hochberg
Chairman and President of the Export-Import Bank of the United States
OUR PUBLIC SECTOR CLIENTS INCLUDE:

90 national governments on six continents

100 U.S. federal government departments, government organizations and government-sponsored enterprises

125 central banks worldwide

59 multilateral institutions on five continents

27 sovereign wealth funds that hold more than 90% of global sovereign wealth fund assets

FINANCING GOVERNMENTS AND NONPROFITS

JPMorgan Chase provides capital and services to a range of public sector clients to help them fulfill their vital mandates, including national and municipal governments, central banks, multilateral agencies, international development organizations, public pension funds, hospitals, universities and more.

We provided and raised $85 billion in capital and credit for nearly 1,500 nonprofit and government entities in 2012, helping them operate and grow as their budgets faced a difficult year.

We help build the infrastructure and support systems that shape the path of economic growth in the U.S. For example, in 2012, we raised $733 million toward construction of the largest desalination plant in the western hemisphere, to be located in Carlsbad, California, and in the wake of Superstorm Sandy, we offered our services to help the state of New Jersey raise $2.6 billion in debt financing, waiving our fees on the underwriting. In addition, we are a leader in debt underwriting for public sector institutions in the international arena, helping to raise $137.8 billion globally in 2012. To address the impact of climate change, we helped the International Finance Corporation (IFC) raise $1 billion with Green Bonds to facilitate the IFC’s investments in renewable energy, energy efficiency and other climate-friendly projects in the developing world.

We also work with development banks and export credit and multilateral agencies to further economic development in emerging markets. We provide financing for industrial and infrastructure projects, support export–import activities, and underwrite bonds, among other activities. For example, in Ghana, working with export credit agencies in the U.S. and the U.K., we provided financing to make electricity available to over one million Ghanaians in rural districts and to construct seven hospitals across the country. In 2012, we financed $291 million through Export-Import Bank of the U.S., and were awarded Ex-Im Bank Lender of the Year.

THE GLOBAL CITIES INITIATIVE

As the capacity of national governments has become more constrained, business, government and civic leaders at the local level are stepping forward to create and support innovative ways to strengthen their economies and create jobs. Launched in early 2012, the Global Cities Initiative is a five-year, $10 million project of the Brookings Institution and JPMorgan Chase that is working to increase trade and investment ties among metropolitan areas around the world. In our view, this is a key opportunity for strengthening regional economies – and for fueling global economic growth.

In 2012, Global Cities brought together leaders in Los Angeles, San Diego, Columbus, Miami, Singapore and São Paulo to highlight policy and practice innovations from around the world, and to foster a global network of leaders whose metropolitan regions trade, invest and grow together.

Global Cities is focused on:

• **Research**: Providing insights from the independent research of the Brookings Institution about metro areas’ positions and potential in the global economy.

• **Practice**: Equipping leaders with ideas for how to expand the global reach of their local economies, based on the best innovations in policy and practices from around the world.

• **Connect**: Bringing together an international network of leaders from global metro areas to stimulate mutual growth through trade.
Alongside our core business of providing the capital and credit economic growth depends on, we provide philanthropic support to a range of organizations around the world. Two of our areas of focus are workforce development and education – issues we view as critical foundations for long-term economic development. Below are highlights from programs we supported in 2012.

**INVESTING IN WORKFORCE DEVELOPMENT**

Ensuring businesses, governments and nonprofits have the capital they need to grow and create jobs is essential for economic development. However, even robust economic growth can leave behind people who lack the skills and opportunities to participate in the workforce. That is why JPMorgan Chase invested nearly $60 million to support workforce development partnerships around the world over the last five years, and will continue to invest in this area for the foreseeable future.

**From the U.S. to Europe to Asia**

In the U.S., we provided a two-year, $600,000 grant to help launch *Skills for Chicagoland’s Future*, which coordinates workforce development training programs to provide unemployed job seekers with the skills employers are seeking and a commitment from employers to hire successful candidates, in addition to direct placement into immediate opportunities. The program aims to coordinate the training and hiring of 600–750 unemployed job seekers in its first year of operation.

In the United Kingdom, we supported the launch of *Women4Work* at the Bromley by Bow Centre, a holistic employment program focused on women living in economically deprived communities in Tower Hamlets and east London.

In Poland, we are helping fund the *Polish Children and Youth Foundation’s Life Skills Program*, which is focused on improving educational outcomes and developing employability skills for students at vocational and technical schools in Warsaw.

In Asia, we are supporting the *Education Development Center Inc.* to support a workforce readiness program for students at 24 vocational technical schools across the Philippines, Malaysia, Indonesia and Thailand.

**INVESTING IN EDUCATION AROUND THE WORLD**

Providing access to high-quality education has always been a critical strategy for improving individuals’ livelihoods, while also growing the economic and social strengths of entire communities. In 2012, we donated $61.7 million to education organizations around the world. Highlights include:

- **$2.5 million over three years to support Turnaround for Children**, an organization working to improve chronically low-performing, high-poverty schools in New York City. Our grant helped Turnaround implement its model in three middle schools, increasing those schools’ NYC Learning Environment ratings by up to 3 points (compared to average city-wide increases of 0.2 to 0.3 points on a 10-point scale).

- **$1.5 million over three years to help launch the School Capacity & Innovation Program** in South Africa, a $7.5 million public-private partnership with the U.S. Agency for International Development and the ELMA Foundation. The program identifies South African organizations working to improve standards of education and invests in them to build their capacity to implement their approaches at scale. In the first three years, the program aims to reach approximately 2 million students and about 70,000 teachers.

- Donated computer servers worth more than $500,000 to the *KIPP* public charter school network in New York. This hardware, configured by JPMorgan Chase’s Technology for Social Good team, will increase KIPP’s data storage capacity and will improve its ability to expand curricula.

- Continued our work with *The King Center Imaging Project* by adding new educational themes to the online digital archive and showcasing the project at more than 20 locations around the U.S. through an interactive exhibit that shares the messages and works of Dr. Martin Luther King, Jr. with students and community leaders.
STRENGTHENING COMMUNITIES

TO HELP STRENGTHEN COMMUNITIES IN 2012:

$6b
provided to low- and moderate-income individuals and communities through our community development work

$844b
invested and loaned since 2004 in mortgages, small business and nonprofit loans and affordable housing for minority or lower-income borrowers and communities in the U.S.

$190m
donated to nonprofits in 37 countries

468,000
hours of volunteer service provided by 43,000 employees in communities around the world

We are a global financial institution, but our global presence is built on a foundation of individual relationships in thousands of local communities. And we are firmly convinced that doing what we can to deepen those relationships and strengthen those communities is the best business we can engage in. That is why we are bringing all our assets and expertise to bear – from community development investing and social finance to charitable giving and employee volunteerism – to help develop and support the essential bedrocks of strong, vibrant communities.

Our scale, combined with our deep local involvement, gives us a unique ability to leverage resources and maximize impact, especially in low- and moderate-income communities. Our presence can be found across the U.S., from Harlem in New York City to Oakland, California. And in recent years, we have expanded our community investments across the globe, such that our impact is increasingly felt in communities from Gauteng, South Africa to São Paulo, Brazil.
Our Approach

Building Vibrant Communities

We have a deep commitment to community development and have been making loans, grants and other investments aimed at strengthening low- and moderate-income (LMI) communities in the U.S. for more than 25 years.

How We Invest in Community Development

It is our responsibility to strengthen the communities where we and our customers do business, and where our customers and employees live. To achieve maximum impact in the community, we believe it is necessary to take a comprehensive approach to community and economic development. We deploy a range of resources and engage with partners across the country. Here is how we do it.

Our Resources

- Loans: $990m in 2012
- Equity Investments: $1b in 2012

We invest in apartment buildings that qualify for federal Low Income Housing Tax Credits and State Low Income Housing Tax Credits. We also invest in New Markets Tax Credits, which support commercial and nonprofit development projects in LMI communities.

Our Partners

- Affordable Housing Developers
  - For-profit
  - Nonprofit
  - Government-sponsored

- Social Service Providers
  For example:
  - Charter schools
  - Health centers
  - Food banks
  - YMCA
  - Salvation Army

- Community Development Financial Institutions
  That provide:
  - Technical assistance to LMI borrowers
  - Small business development
  - Lending to social service providers

- Businesses in the Community
  For example:
  - Kroger
  - Whole Foods
  - Continental Tire

Our Results in LMI Communities

- Affordable Housing
  Built or preserved more than 31,000 units of affordable housing for LMI families, seniors and special needs populations in over 200 U.S. cities.

- Manufacturing Capacity
  Facilitated the expansion of manufacturing capacity that collectively created approximately 1,600 new jobs in the U.S.

- Healthcare
  Facilitated the construction of eight healthcare centers that cumulatively will be able to provide more than 250,000 annual patient visits.

- Education
  Financed the development or expansion of charter schools and other education facilities that will serve a combined 5,080 students.

- Healthy Food
  Financed six projects designed to increase access to healthy food in underserved communities, which will also create close to 700 jobs in those communities.

1 The New Markets Tax Credit (NMTC) program is a U.S. federal tax program designed to stimulate economic growth and job creation in low-income communities by providing much-needed longer-term, “patient” and subsidized investment capital. Chase has been a leader in the NMTC program, providing equity to support more than $990 million in projects under the NMTC program in 2012.
Q: What types of community development banking partnerships and resources are most effective in solving the challenges facing low- and moderate-income communities?

A: What we know today is that we can more effectively solve the problems that have plagued generations of families in low-income communities across the country by focusing and coordinating all our community development resources, including capital from the private sector, public sector and charitable organizations. JPMorgan Chase has demonstrated its ability to harness these resources collectively, rather than approach circumstances in low-income communities with a banking approach driven solely by volume and visibility of deals.

Terry Simonette, President & CEO, NCB Capital Impact

Financing Affordable Housing

Although we seek to support all the institutions that form a community, we believe high-quality, affordable housing is a critical piece of the foundation of broader community development. That is why in 2012, we provided more than $990 million in loans and just over $1 billion in equity to build or preserve more than 31,000 units of affordable housing for LMI families in over 200 US cities. Examples include:

- **Highbridge Overlook Apartments** in the Bronx, New York will provide 155 units of affordable housing, including 40 units for formerly homeless people in need of mental health and social service support. We originated a $23 million letter of credit to help finance the acquisition and fund the construction. We invested an additional $21 million in low-income housing tax credit equity.

- **1501 Canal Apartments** in New Orleans, Louisiana will provide 112 units of housing, primarily for low-income senior citizens, along with nearly 2,000 square feet of commercial space to complement the ongoing revitalization of the area. We originated an $18 million loan to support the construction and redevelopment of the historic property.

Supporting Manufacturing and Creating Jobs

Throughout the economic downturn, we have placed a strong emphasis on supporting projects to create new jobs and expand manufacturing capabilities in communities that have been hard hit by the recession. In 2012, we facilitated $219 million in New Markets Tax Credits to build manufacturing capacity in the US.

For example, we provided financing to help Continental Tire build a new state-of-the-art manufacturing facility in Sumter, South Carolina. The resulting project, financed in part by a $17.7 million New Markets Tax Credit investment from Chase, is expected to create 1,000 permanent jobs in the region. It is anticipated that the facility will become an economic development stimulus for this rural community.

Increasing Access to Healthcare

Access to healthcare has long been a focus for JPMorgan Chase. In 2012, we facilitated $79 million in New Markets Tax Credits for the construction of eight healthcare centers that cumulatively will be able to provide more than a quarter-million annual patient visits.

For example, through a $2.8 million New Markets Tax Credit equity investment from Chase, the Chicago Family Health Center (CFHC) was able to acquire and renovate a 26,000-square-foot health clinic located in the underserved neighborhood of Pullman in Chicago. The new, larger facility will allow CFHC to increase the number of annual primary care, specialist and dental visits from 30,000 to 50,000 – and it will be LEED-certified.
In October 2012, “Superstorm” Sandy slammed into the East Coast of the U.S., causing unprecedented damage in New York City and along the New Jersey coast. With more than 30,000 employees and 10 million customers affected by the storm, we marshaled our resources to provide immediate relief and assistance to those affected – as well as to lay the groundwork for the long-term economic recovery of the region.

In the wake of the storm, we pledged up to $5 billion in additional capital for small and medium-sized businesses to help them rebuild and donated $10 million in aid to disaster relief organizations and individuals. We also immediately offered our services to help the state of New Jersey raise $2.6 billion in debt financing, waiving our fees on the underwriting and guaranteeing that the state’s borrowing costs would not exceed a predetermined rate.

**Marshaling Our Resources**

<table>
<thead>
<tr>
<th>Charitable Contributions</th>
<th>Helping the Public</th>
<th>Helping Our Customers</th>
<th>Helping Our Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committed up to $5 million in donations to nonprofit organizations, including up to $1 million in matched funds for employee donations to the American Red Cross, World Vision and the United Way for immediate relief efforts.</td>
<td>Quickly reopened our branches in affected areas, allowing anyone to come in and charge their electronic devices.</td>
<td>Pledged to make $5 billion in lending available to small and medium-sized businesses, at favorable terms.</td>
<td>Established a “hardship hotline,” allowing any employee to access up to $1,500 in emergency funds from a new corporate assistance program.</td>
</tr>
<tr>
<td>Charitable grant recipients included organizations working to distribute food and other supplies, helping microenterprises stay in business, and repairing damaged homes for low-income homeowners.</td>
<td>Dispatched mobile ATMs to hard-hit areas, providing access to cash for people without power.</td>
<td>Allowed any business impacted to apply for expedited credit, with special pricing and terms, for three months after the storm.</td>
<td>Through our employee-to-employee giving program, matched 100% of contributions up to $1 million to a disaster relief fund for employees affected by the storm.</td>
</tr>
<tr>
<td>Helped our customers easily make donations to the Red Cross through 14,000 Chase ATMs.</td>
<td>Provided JPMorgan Chase-owned office space in Brooklyn to temporarily displaced small businesses.</td>
<td>Waived all fees for consumers and small business customers for nearly two weeks after the storm in 10 states and Washington, D.C.</td>
<td>Helped employees who lost vehicles in the storm obtain new cars with favorable loan rates.</td>
</tr>
<tr>
<td>In partnership with The Robin Hood Relief Fund, sponsored the 12.12.12 Concert for Sandy Relief, which raised more than $50 million for storm victims.</td>
<td>Helped launch the Economic Recovery Task Force with Nassau County, New York, to help small businesses navigate options for recovery, including SBA disaster loans.</td>
<td>Waived all mortgage-related fees for customers in the impacted areas and automatically placed Sandy customers seeking assistance on a payment moratorium for up to 180 days.</td>
<td>Created an employee shift-share program to bring in employees from locations across the U.S. to fill in at branches in the Northeast, providing relief for employees who were affected by the storm or worked long hours during the recovery.</td>
</tr>
</tbody>
</table>
Launched in 2007, our Social Finance business provides capital and expertise to innovative businesses that are working to help improve the livelihoods and quality of life of people living in poverty around the world.

These impact investments are unique in that, while they are expected to create a financial return, they are also expressly focused on generating measurable social impact. In addition, they are intended to be scalable and sustainable, setting the stage for long-term future growth of the businesses and markets they target.

In 2012, our Social Finance principal investment portfolio grew to nearly $50 million in commitments. Our portfolio consists of funds that profitably improve the livelihoods of low-income and excluded populations around the world. These funds span sectors such as healthcare, agriculture, financial services and housing. In addition to making principal investments, we also work to help shape and grow the field of impact investing by providing client advisory services and rigorous, data-driven thought leadership.

<table>
<thead>
<tr>
<th>Investment Fund</th>
<th>MicroVest II</th>
<th>Leapfrog</th>
<th>IGNIa</th>
<th>Bridges Social Entrepreneurs Fund</th>
<th>African Agricultural Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>J.P. Morgan Investment</td>
<td>$10 million</td>
<td>$10 million</td>
<td>$5 million</td>
<td>£3 million</td>
<td>$8 million</td>
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<tr>
<td>Fund size</td>
<td>$60 million</td>
<td>$135 million</td>
<td>$77 million</td>
<td>£12 million</td>
<td>$25 million</td>
</tr>
<tr>
<td>Investment Thesis</td>
<td>Provide equity capital to low-income financial institutions and help build capital markets serving low-income individuals.</td>
<td>Invest in companies that distribute micro-insurance and related products and services for low-income and financially excluded people.</td>
<td>Invest in entrepreneurs with scalable businesses that deliver high-value products and services to low-income populations in Mexico.</td>
<td>Support scalable, high-impact social enterprises with a focus on serving the most deprived 25% of the population in the U.K.</td>
<td>Invest in small and medium-sized agriculture-related businesses in East Africa directly benefiting smallholder farmers.</td>
</tr>
</tbody>
</table>

1 Reflects all publicly disclosed information to date.
INVESTING FOR SOCIAL IMPACT

Through our Social Finance investment portfolio, we support investments in self-sustaining businesses that are working to create positive social impact in their communities. Examples of investments we supported in 2012 include:

Supporting Smallholder Farmers in Kenya

Our investment in the African Agricultural Capital Fund (AACF) supported a $600,000 investment in Wilmar Flowers, a Kenyan exporter of smallholder-supplied flowers. Wilmar currently purchases flowers from 3,000 smallholder farmers from across Kenya; with the fund’s investment, the company expects to engage an additional 5,000 farmers by 2016. AACF’s investment will not only allow Wilmar to increase its flower supply and improve profitability, but it will also grant these new suppliers access to international markets and increased incomes.

In investing in AACF, we joined with USAID and the Gates, Gatsby and Rockefeller Foundations to make substantial, long-term improvements in the lives of at least 250,000 smallholder farm households across the agricultural value chain of East Africa.

Expanding Access to Telecommunications and Banking in Mexico

In 2012, our investment in IGNIA, Latin America’s oldest and largest impact investment fund, supported a $3.1 million investment in Barared, a low-cost telecommunications and correspondent banking company in Mexico.

Barared provides its services to Mexico’s low-income populations through public telephone booths located in neighborhood retail outlets such as convenience stores and pharmacies. In addition to providing historically excluded populations access to the banking system, the booths themselves are often the single most important revenue stream available to micro-business owners. With the help of our investment, Barared will be able to expand its services and develop other products and services to meet the needs of Mexico’s low-income populations.
TO SUPPORT VETERANS, SERVICEMEMBERS AND THEIR FAMILIES:

**5,000**
Veterans hired by JPMorgan Chase since 2011

**$7.7m**
In grants and sponsorships for organizations and programs focused on the military and veteran communities in 2012

**386**
Mortgage-free homes provided to veterans and their families by the end of 2012

SERVING AMERICA’S MILITARY AND VETERAN COMMUNITIES

We are committed to using our resources to help meet the needs of our nation’s servicemembers, veterans and their families. Our company has focused on three specific areas: employment, homeownership and education.

Our Office of Military and Veterans Affairs, established in 2011, works to implement a coordinated and strategic approach to meeting the needs of U.S. military veterans, active-duty servicemembers, members of the Guard and Reserve and their families across all of JPMorgan Chase’s operations. We also have a Military and Veterans Affairs Advisory Council, comprised of members of the military community who understand firsthand the emotional, financial and physical hardships military veterans and families undergo, as well as the challenges they face as they transition back to civilian life.

In addition, we work closely with Syracuse University’s Institute for Veterans and Military Families, which we co-founded in 2011, to improve the employment situation of veterans. The Institute is the first national center in U.S. higher education focused on the social, economic, education and policy issues affecting veterans and their families post-service.

**Employment and Training**
One of the key challenges facing military servicemembers as they transition from active-duty to civilian life is finding meaningful employment. In 2011, JPMorgan Chase joined with 10 other companies to launch the 100,000 Jobs Mission with the goal to collectively hire 100,000 veterans by 2020. By the end of 2012, the coalition had expanded to 91 companies, and had already hired more than 51,000 veterans. JPMorgan Chase alone has hired nearly 5,000 veterans since 2011.

To help JPMorgan Chase achieve its veteran hiring goals, we have created a centralized Military Recruiting team to identify and recruit talented veterans to work at our company. We also launched Military 101, a program that gives hiring managers an overview of the structure and culture of the U.S. military and insight into the skills that servicemembers bring to the table.
We recognize that it is not enough to simply recruit and hire veterans – we need to give them the skills they need to be successful. As a result, we provide a variety of training and development opportunities specifically geared to our employees who are veterans and servicemembers, as well as benefits and other support to meet their unique needs. For example, in 2012 we launched Body Armor to Business Suits, which is a program designed to ease the transition from the military to working at our company. We also launched a new Branch Manager Training Program specifically for military veterans.

Military and Veteran Homeownership

Another key area of focus for JPMorgan Chase is our commitment to helping military families own and stay in their homes. Through our nonprofit partners, we have provided almost 400 mortgage-free homes to veterans and their families since 2011. Over the past three years, Chase has also put in place a series of programs to help military families get new mortgages or modify existing ones. We have nine Chase Homeownership Centers near military bases, as well as a team of certified military mortgage consultants, specifically dedicated to serving the needs of servicemembers and their families.

Chase offers an enhanced mortgage modification program for all post-9/11 servicemembers and veterans who are behind on, or having trouble making, their mortgage payments. Chase does not foreclose on homes of any active duty servicemembers during their deployment. We also reduce the effective mortgage interest rate for Servicemembers Civil Relief Act-eligible military members to 4% while on active duty and for a year afterward – lower than the government’s required rate of 6%.

In addition to the mortgage services we offer, we have developed a range of other banking products and services to meet the needs of military servicemembers, including a dedicated military services team available around the clock.

Donating to Support Military Servicemembers and Veterans

In 2012, we gave more than $7.7 million in grants and sponsorships for organizations and programs focused on the military and veteran communities. We have also committed to award 1,000 mortgage-free homes to veterans and their families by 2016 through our nonprofit partners, including Building Homes for Heroes, Homes for Our Troops, the Military Warriors Support Foundation, and Operation Homefront. We give charitable grants to these partners to allow them to provide financial counseling and case management for new homeowners. Our goal is to develop relationships with the families and sustain long-term homeownership. Examples of other organizations and programs we supported in 2012 include:

- Community Solutions, Inc., in support of its efforts to expedite the housing placement of 12,000 homeless veterans
- The National Organization on Disability, for its efforts to provide intensive career services to severely injured Iraq and Afghanistan Army veterans through the Wounded Warrior Career [WWC] demonstration program
- CredAbility, for its financial literacy support programs for veterans
- The Mission Continues and Student Veterans of America, to help place 18 fellows at universities with large veteran student populations to expand and improve the effectiveness of campus-level programs for veterans and military families

Q: What should private sector companies do to help veterans make the transition from military to civilian life?

A: The private sector has a critical role to play when it comes to supporting a successful post-service transition for the nation’s veterans. Supporting our veterans is not just the right thing to do, but it also makes smart business sense to empower men and women who are dedicated, loyal, and highly skilled, making American industry more dynamic and competitive.

Mike Haynie, PhD, Executive Director, Institute for Veterans and Military Families, Syracuse University

SERVING AMERICA’S MILITARY AND VETERAN COMMUNITIES
OPERATING RESPONSIBLY

The foundation for corporate responsibility at JPMorgan Chase is how we manage and operate our business. It means operating with integrity, supporting and respecting our employees, being transparent with our customers and treating them fairly, effectively managing environmental and social risks in our business activities, and managing our own operations efficiently and sustainably.

OPERATING RESPONSIBLY

SERVING OUR CUSTOMERS 21
Raising the bar on customer service.

MORTGAGES AND HOMEBUYER ASSISTANCE PROGRAMS 22
Helping struggling homeowners.

SUSTAINABILITY IN OUR BUSINESS 23
Managing social and environmental risk and accelerating sustainable solutions.

SUSTAINABLE OPERATIONS 23
Improving the efficiency and sustainability of our own operations.

GOVERNANCE, ETHICS AND RISK MANAGEMENT 24
Upholding the highest standards and strengthening our risk management.

SUPPORTING OUR PEOPLE 24
Supporting and developing our employees.
In the last few years, we have strengthened the way we serve our customers, from how we listen and communicate, to how we develop products and services to meet their unique needs.

We have a consumer relationship – through retail banking, credit cards, auto financing or home mortgages – with nearly half of all households in the U.S. In our effort to raise the bar on customer service, we made more than 700 improvements between mid-2011 and early 2013 as a result of customer service feedback. And our customers have noticed: Chase was named the #1 large retail bank in the 2012 American Customer Satisfaction Index survey and Chase climbed in every 2012 banking survey that J.D. Power and Associates conducted.

To help achieve these gains, we have also made our product disclosures more clear, concise and transparent. In December 2011, we became the first large bank to adopt the Pew Charitable Trust’s model checking account disclosure form, using plain language in a consumer-friendly format for our product guides. We first used the new disclosures for our most popular product, Chase Total Checking. In 2012, we applied the same principles to our other checking and savings account disclosures and product materials for Chase Liquid®.

Empowering Consumers with Chase Liquid

Consumer groups have long emphasized the negative impacts and lack of transparency of check-cashing services and prepaid cards, which generally charge high fees on each transaction and often fail to adequately disclose those fees. These businesses have gained market share among low- and moderate-income consumers, who often do not have traditional bank accounts – and who can least afford to pay the high fees.

We realized there was an opportunity to better serve this market, so we launched Chase Liquid in 2012. Chase Liquid works just like many prepaid cards, but is less expensive than most, works at all Chase ATMs and branches and offers direct deposit and mobile deposits for no additional charge. And it costs a flat monthly fee of $4.95. Chase Liquid customers receive most of the same services that our traditional checking customers do – services that most prepaid cards and check-cashing facilities charge extra for, if they offer them at all.

So far, the response to Chase Liquid has been very positive – confirming that it is possible to develop successful new products that empower consumers to take charge of their finances.

Q: How can banks advance financial capability among underserved consumers?

A: For banks to be a genuine part of the solution, they need to be more than just charitable sponsors of financial literacy programs. Rather, banks need to align their business interests with the needs of underserved consumers by creating products and delivery channels that foster long-term relationships. Liquid seems to strike that balance. With low barriers to entry and targeted, culturally relevant outreach, Chase has been able to reach Hispanic customers that previously had been skeptical or intimidated by mainstream banks.

Janis Bowdler, Economic Policy Director, National Council of La Raza
MORTGAGES AND HOMEBUYER ASSISTANCE PROGRAMS

FIVE YEARS AFTER THE FINANCIAL CRISIS, THE HOUSING MARKET IS STILL IN THE REBUILDING PROCESS. DURING THAT TIME, JPMORGAN CHASE AND OTHERS IN OUR INDUSTRY HAVE WORKED WITH POLICYMAKERS, COMMUNITY LEADERS, CONSUMERS AND OTHER STAKEHOLDERS TO IMPROVE INDUSTRY PRACTICES TO MITIGATE THE RISK OF A FUTURE CRISIS.

At JPMorgan Chase, we are committed to doing our part to speed the recovery of the market and to help struggling homeowners. As challenging as the last several years have been, we have never considered minimizing or eliminating our involvement in the mortgage business. We are continuing to invest in this business by growing our sales force and introducing technology applications to improve the customer experience. We jumped from #11 to #4 in the J.D. Power and Associates 2012 U.S. Primary Mortgage Servicer Satisfaction Study, and we ranked #4 in the J.D. Power 2012 U.S. Primary Mortgage Origination Satisfaction Study.

At the end of 2012, JPMorgan Chase owned or serviced 5.7 million mortgages. During the year, we originated approximately 920,000 mortgages, representing nearly $190 billion in loans for home purchase or refinance, making us the second largest originator in the U.S.

Applying Our Principles to Help Struggling Homeowners

To fulfill our commitments in the context of the housing crisis, we have sought to operate according to the following basic set of principles:

**Principle #1: Make it right.** If we treated a homeowner improperly, we should make it right.

**Principle #2: If they can, they should.** If a homeowner can afford to pay the mortgage – whether or not the borrower owes more on his or her mortgage than the home is worth – we believe there is a fundamental obligation to repay.

**Principle #3: Modify the loan.** If a homeowner cannot afford the mortgage but can afford a reduced payment, we try to modify the loan.

**Principle #4: Underwrite as if we own it.** Whether we own the mortgage or sell it to investors, we underwrite it with the same credit standards as one that would go on our balance sheet.

**Principle #5: Foreclosure is always the last resort.** If a homeowner cannot afford the home even with a modification, we still try to avoid foreclosure with a short sale or deed-in-lieu.

**Principle #6: If foreclosure is unavoidable, conduct it with the highest standards.** In instances where foreclosure is unavoidable, we strive to adhere to the highest standards and ensure those who must undergo the process are treated fairly.
SUSTAINABILITY IN OUR BUSINESS

Because of the linkages between the natural environment and human and economic systems, long-term economic growth depends on meeting society’s needs for energy, infrastructure, and food in more sustainable ways.

JPMorgan Chase provides financial advisory and lending services for clients across sectors around the world, and we are using our scale and expertise to help our clients raise the bar on environmental and social performance.

We have a formal policy, process and team for assessing environmental and social risks associated with financial transactions identified as potentially posing increased risks to our company. In 2012, we assessed a total of 251 transactions. We are also conducting portfolio-level assessments to evaluate key sustainability challenges in certain industries, and engaging proactively with our clients to develop solutions.

In addition, we are using our capabilities to accelerate the growth of cleaner, more efficient technologies. In 2012, we helped deploy over $5 billion of capital for alternative energy and clean technology companies and projects, including over $1.6 billion in tax equity investments for renewable energy.

Raising the Bar for Hydraulic Fracturing

As one of the largest financiers of the oil and gas sector, we saw a need to thoroughly understand the environmental and social impacts associated with the use of hydraulic fracturing to extract oil and natural gas. We also saw an opportunity to identify best practices and raise performance across the sector more broadly. In 2012, we launched a major effort to engage with our clients, academic and technical experts, environmental organizations, government agencies, investors and other stakeholders. We subsequently developed a risk assessment framework to enable us to consistently and comprehensively assess our clients’ policies and practices. We believe this approach is an effective model for assessing risk and raising overall performance that can be replicated for other sectors or activities.

SUSTAINABLE OPERATIONS

We work to manage our operations in an efficient and sustainable manner.

A key focus is reducing energy use – and related greenhouse gas emissions – in our corporate real estate. We achieved our goal to reduce greenhouse gas emissions by 20% below 2005 levels by the end of 2012, and have established a new goal to reduce emissions by another 20% below our 2012 baseline by the end of 2020. We have installed solar photovoltaic arrays totaling over 1 megawatt of generating capacity at two of our data centers and six retail bank branches in the U.S., and we are exploring installation of onsite solar energy, thermal hot water, and wind turbines at more facilities. Further initiatives include managing the lifecycle impacts of our paper consumption and minimizing our waste streams.
GOVERNANCE, ETHICS AND RISK MANAGEMENT AND SUPPORTING OUR PEOPLE

HIGHLIGHTS OF OUR 2012 GLOBAL EMPLOYEE SURVEY:

76% of employees said they are satisfied with the company

85% said they are proud of the company

83% said they are committed to remaining with the company

GOVERNANCE, ETHICS AND RISK MANAGEMENT

Upholding strong corporate governance standards and adhering to the highest ethical standards are essential to being an accountable, transparent and well-managed company.

We have robust corporate governance policies and processes in place covering the functions, composition and other operations of our Board of Directors and for communicating and ensuring our employees’ adherence to our Code of Conduct.

We also have structures and processes in place to provide controls and ongoing management of the major risks we face. Risk is an inherent part of JPMorgan Chase’s business activities, but we fell short on multiple control issues in 2012, including sustaining a significant loss by our Chief Investment Office. As a result, we have made our control agenda our #1 priority, and are devoting an enormous amount of resources to dramatically strengthen our systems, processes and structures for managing risk and meeting regulatory obligations. We have established a new Firmwide Oversight & Controls Group to direct this effort. See our 2013 Proxy statement and 2012 Annual Report for more detail.

SUPPORTING OUR PEOPLE

Supporting and developing our 260,000 employees are responsibilities we take very seriously.

We take a holistic approach that considers the entire employee experience, both in the workplace – from the hiring and orientation process, to career development and mobility, to promoting diversity and inclusion – and outside of the workplace, through health and wellness programs, retirement benefits, childcare support and other work-life services.

We take great pride in the recognition we continue to receive as a great place to work and grow. In 2012, we were ranked The World’s Most Attractive Employer Amongst Financial Services Firms by Universum, by career seekers from the world’s 12 largest economies; one of the 40 Best Companies for Diversity by BLACK ENTERPRISE magazine; one of the Working Mother 100 Best Companies by Working Mother magazine, to name just a few. Additionally, we scored 100% on the Human Rights Campaign’s Corporate Equality Index, and we were featured as a Top 100 Employer on the Stonewall Equality Index in the U.K., for supporting an inclusive workplace for lesbian, gay, bi-sexual and transgender employees.
JPMorgan Chase is a leading global financial services firm and one of the largest banking institutions in the United States, with operations worldwide; the firm has $2.4 trillion in assets and $204.1 billion in stockholders’ equity. The firm is a leader in investment banking, financial services for consumers and small businesses, commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase serves millions of consumers in the United States and many of the world’s most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands.


**FINANCIAL HIGHLIGHTS:**

<table>
<thead>
<tr>
<th>NET INCOME</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
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<td>$21,284m</td>
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<td>$18,976m</td>
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<td>$17,370m</td>
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<th>NET REVENUE</th>
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<td>$97,234m</td>
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<td>$102,694m</td>
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<tr>
<th>RETURN ON EQUITY</th>
<th>2012</th>
<th>2011</th>
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<tbody>
<tr>
<td></td>
<td>11%</td>
<td>11%</td>
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</table>

**About This Report**

JPMorgan Chase reports annually on our corporate responsibility performance. This is a summary of our full 2012 Corporate Responsibility Report, which is available as a PDF on our website. For complete financial and organizational information, please see our 2012 Annual Report.

This report covers the period January 1, 2012 to December 31, 2012, though in some instances, information from 2013 and prior years is included where relevant. Reporting and performance data includes information on JPMorgan Chase and its subsidiaries. We developed this report following the Global Reporting Initiative (GRI) G3.1 reporting framework including the Financial Services Sector Supplement. We provide a GRI index in our full Corporate Responsibility Report.

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