

A Culture of Excellence



Matt Zames

Our firm has a rich, 200-year history of serving its clients and customers with integrity and establishing relationships based on trust. It is our responsibility to preserve and build upon the solid values on which this firm was founded. The tone we set as stewards of the firm is critical, and managing a culture of excellence, as well as integrity, requires us to have a sophisticated and comprehensive infrastructure.

The Chief Operating Office is central to delivering operational excellence. It is responsible for many of the firm's corporate utilities, including Treasury, the Chief Investment Office, Global Technology, Operations, Oversight & Control, Compliance, Corporate Strategy, Global Real Estate, Global Security & Military Affairs and Regulatory Affairs, among others. In 2014, we focused a great deal on what it means to be a Global Systemically Important Bank (G-SIB) and how best to ensure we

manage to the needs of our critical stakeholders – shareholders, clients, customers and employees – given our significance to worldwide markets and the global economy. We continue to respond to the changing regulatory landscape, including requirements for G-SIBs, and we are evaluating the businesses we manage and the products and services we offer in the context of these new requirements. As an example, we announced the firm is targeting up to a \$100 billion reduction in non-operating wholesale deposits. At a minimum, we are committed to ensuring we remain safely within the 4.5% G-SIB capital surcharge bucket and are looking at additional actions to potentially reduce our surcharge by an incremental 50 basis points.

Last year, we published Business Principles, key themes around which we want to drive the firm. These principles are fundamental to our success and provide guidance for our identity as a company while informing our firmwide strategic priorities.

EXCEPTIONAL CLIENT SERVICE

OPERATIONAL EXCELLENCE

A COMMITMENT TO INTEGRITY, FAIRNESS
AND RESPONSIBILITY

A GREAT TEAM AND WINNING CULTURE

We distributed the principles to our employees and regulators and followed up with a more extensive “How We Do Business – The Report,” which is available on our public website.

We recently launched a firmwide Culture and Conduct Program to further reinforce the behavioral standards implicit in these Business Principles. The program is not about reinventing our culture but recommitting to it. It considers our culture, business models, tone from senior executives, governance and incentive structures; how they influence daily decision making at all levels; and the impact of those decisions on our clients, our reputation and the integrity of the markets. Our objective is to instill in our employees a strong sense of personal accountability through broad, deep integration of common standards across businesses and geographies. In 2015, we will develop a suite of metrics to enable management to keep a pulse on how we are doing in regard to our company culture and with respect to specific conduct risks. We have committed, in 2015, that each line of business and function will implement a Culture and Conduct Program aligned to the firmwide framework.

Execution against our principles requires us to be ever mindful of new opportunities to reduce complexity and improve efficiency. As part of our business simplification strategy, we spun off One Equity Partners, the firm's private equity

unit, which was completed in early January 2015. We realized significant savings through the reshaping of our workforce and consolidation of jobs in the right locations, creating efficiencies in labor and real estate costs and promoting consistency in our control culture. We are committed to managing expenses tightly, eliminating waste, and running the firm in a nimble and flexible manner.

We continue to look for additional opportunities to do business in smarter ways. For example, over the last few years, the firm made a significant investment in telecommunications and collaboration tools to facilitate alternatives to air travel. We have rationalized the population of vendors, in large part through the establishment of preferred vendors in categories such as information technology (IT), real estate services, printing, and marketing and advertising. In addition, we are in the process of rationalizing our population of law firms and physical security vendors.

We will not compromise on the control environment and, to that end, continue to tighten data controls for ourselves, as well as for our third parties. This involves fortifying our defenses to ensure all of our managers, employees and vendors are following the appropriate security and hygiene practices with regard to work email, password protection, data encryption, system entitlements and social media. We continue to carefully monitor third-party systems and to increase our oversight of all the vendors with whom we work to make sure their protections are adequate.

Liquidity and interest rate risk management continue to be important

Liquidity and interest rate risk management are fundamental to how we manage the firm and take on increasing importance for the firm as a G-SIB. As we advance our thinking in response to an evolving set of regulatory requirements, we are driving a coordinated approach to management of the firm's balance sheet.

2014 featured final versions of important regulatory liquidity rules, notably the liquidity coverage ratio by U.S. banking regulators and Basel's final rule on the net stable funding ratio, with which we are compliant. We devoted significant resources to understanding the potential liquidity impact of changing Fed monetary policy and rising rates, particularly the impact on our wholesale deposit base. As a direct result of this effort, we further refined and improved our internal stress framework. We continue to be in compliance with our internal measures.

We progressed our technology build-out to enable more flexible and timely liquidity stress testing for the enterprise and major legal entities. We further evolved the Liquidity Risk Oversight group, which provides independent assessment, measurement, monitoring and control of liquidity risk. We established a firm-wide program to set up a best-in-class intraday liquidity management process and infrastructure in preparation for a changing market environment and emerging regulatory expectations.

We continue to actively manage our investment securities portfolio of over \$340 billion, the primary vehicle used to offset the firm's loan and deposit mismatch and moderate firmwide structural interest rate

risk. In 2014, we further increased the proportion of investment securities that we intend to hold to maturity to nearly \$50 billion, which will help to mitigate Basel III capital volatility in a rising rate environment. The average yield of our investment securities portfolio increased by 45 basis points from a yield of 2.32 in 2013 to 2.77 in 2014 despite generally lower interest rates, and we maintained an average portfolio rating of AA+.

Cybersecurity remains a top priority

In 2014, we experienced cyber threats of an unprecedented scale. This included a data breach we incurred last summer, which we voluntarily disclosed. We continue to discover and block new and unique malware, viruses and phishing attempts to obtain access to our data. Importantly, cyber attacks to date have not resulted in material harm to our clients or customers and have not had a material adverse impact on our results or operations.

To defend against these threats, we spent more than \$250 million in 2014 on our cyber capabilities. We established three global Security Operations Centers to monitor, detect and defend the firm. We organized cyber defense exercises to test our capabilities and conducted an independent assessment of our cybersecurity program to identify actions for continual improvement. We doubled the number of cybersecurity personnel over the past two years and hired top-notch security experts.

Over the next two years, we will increase our cybersecurity spend by nearly 80% and enhance our cyber defense capabilities with robust testing, advanced analytics and

improved technology coverage. We will strengthen our partnerships with government agencies to understand the full spectrum of cyber risks in the environment and increase our response capabilities.

Technology is critical to our competitive advantage and to the protection of our clients and customers

Over the past six years, the firm has invested 8%-9% of its annual revenue to fund our global technology capabilities, one of the largest investments we make at JPMorgan Chase. Even as we are committed to expense management, we will not compromise our investment opportunities for the future, especially as they relate to innovative and efficient delivery to our clients and customers and protection of their security.

Demand for technology continues to grow. IT supports 318,000 desktops, 66,000 servers in 32 strategic data centers, 25,000 databases and 7,100 business applications. Our global telecommunications network connects our presence in 60 countries along with our 5,600 Chase branches and 18,000 ATMs. We have more than 35 million active online, and over 19 million active mobile, clients and customers. We process approximately \$6 trillion of payments daily on behalf of the firm and its clients and customers.

In 2015, approximately 50% of our technology investment spend will be in support of our strategic business priorities, including:

- Digital: End-to-end digital commerce across web, mobile and future channels and across our businesses.
- Data & Analytics: Leveraging of our firmwide data assets for operational stability, customer value, revenue generation, and risk and security.
- Mobile, Unified Communications: Communications channel integration into business applications to enrich interaction among employees, clients and customers.
- Next Generation Cloud Infrastructure: Increased cloud footprint to enhance cost efficiency and flexibility using highly elastic, on-demand, self-service infrastructure.
- Next Generation Development: Increased developer productivity, quality and pace of application delivery.
- Security & Controls: Framework to address the increasing volume, pace and sophistication of security threats.

In addition, we will continue to innovate in 2015 by improving branch automation and efficiency, extending our electronic trading platforms, launching an advisor workstation platform for Asset Management and implementing a new commercial real estate loan originations system.

Our focus on the control agenda has become “business as usual”

We have made substantial investments and transformative changes to strengthen our control environment. Since the creation of Oversight & Control in 2012 to embed greater focus and discipline on controls within each business, the group has successfully integrated into each business and function to make the control agenda a core strategy and priority.

Over the past few years, Oversight & Control has significantly enhanced the quality of, and standard requirements for, our business self-assessment process, designed to identify and assess key operating risks in each area. We introduced common control reporting on a range of metrics and, in 2015, will further develop capabilities to analyze trends and conduct impact analysis across businesses. Of the original 24 enterprise-wide programs established in 2013 to tackle top control issues, many now are complete, and the work has transitioned from projects to business-as-usual operations. We anticipate closing the lion's share of the programs in 2015.

The compliance agenda is continuously evolving

Our firm's compliance capabilities have improved significantly over the past year. 2014 was focused on execution across the foundational components of the compliance program. We enhanced standards and protocols across core practices, strengthened our employee compliance program, and continue to evolve and develop

trade and e-communications surveillance programs. Building a world-class Anti-Money Laundering (AML) program remains a top priority, and a significant amount of work has been completed on the Bank Secrecy Act/AML and Sanctions programs, including a new, global set of Know Your Customer standards.

This year, Compliance will focus on enhancing standards for market conduct risk, fiduciary responsibilities, employee compliance and regulatory reporting. Ongoing strategic technology investments and process improvements will position us to continue delivering in a heightened regulatory environment.

Conclusion

We understand the importance of operational excellence, effective risk management across all risk categories, a fortress infrastructure, and a culture that is rooted in integrity, fairness and responsibility. We have addressed new challenges by applying lessons learned more effectively, and we are able to respond more quickly owing to the talent of our people and our investments in infrastructure and controls.

We continue to strengthen our client- and customer-centered culture and set high standards for performance as we invest in targeted growth opportunities and first-rate systems and operations, simplify our businesses and redouble expense management efforts. Our Business Principles will be our guidepost as

we make decisions each step of the way. We are indebted to our predecessors for the solid foundation we inherited and will be vigilant in our commitment to maintaining the world-class reputation we have worked so hard to build. The company is well-positioned to help our clients and customers to the fullest, with integrity, and that is what we intend to do. To achieve our objectives, we must execute strategically and with urgency.



Matt Zames
Chief Operating Officer

2014 HIGHLIGHTS AND ACCOMPLISHMENTS

- Evaluated business activities in light of G-SIB; committed to operating at or below the 4.5% G-SIB capital surcharge bucket
- Targeted a \$100 billion reduction in non-operating wholesale deposits
- Launched a firmwide Culture and Conduct Program to reinforce our Business Principles across all businesses and functions globally
- Met liquidity regulatory requirements; advanced our own internal framework, including technology capabilities and independent risk oversight
- Maintained AA+ average rating in our investment securities portfolio; improved the average yield of investment securities from 2.32 in 2013 to 2.77 in 2014 despite low rate environment
- Spun off One Equity Partners as part of ongoing business simplification efforts
- Managed expenses tightly through, among other things, creating economies of scale through consolidation of jobs in strategic locations and establishment of preferred vendors
- Matured our efforts to further strengthen controls, including transitioning many enterprise-wide programs to business-as-usual
- For the sixth consecutive year, invested 8%-9% of the firm's annual revenue in global technology capabilities and digital innovation
- Processed an average of approximately \$6 trillion in payments daily
- Spent more than \$250 million in 2014 to protect the firm from cyber attacks and will increase cyber spend by nearly 80% over the next two years

Consumer & Community Banking



Gordon Smith

I'm proud to say that Consumer & Community Banking (CCB) has grown stronger in 2014, adding more customers, building market share and improving the customer experience across all of our channels. Today, we've earned relationships with nearly half of all U.S. households and 3.9 million small businesses. In 2014, we added approximately 600,000 new CCB households, bringing our total to almost 58 million. As important, we've deepened the relationships with our existing customers. More people consider Chase their primary bank than any other bank in our footprint, and customer attrition has reached historic lows. More customers are doing business with Chase, and they are staying with us for the long term.

Leading the industry

Our core strategy for CCB for the past four years has been to build life-time, engaged relationships with our customers. That begins and ends with a consistent and outstanding customer experience across Chase. I have yet to see any business that can

grow over time without happy customers. And in our business, where customers have extensive choices across all of our products, that's acutely true.

We're pleased with our progress. I don't think anyone can ever declare victory on the customer experience, but we can celebrate the success we've had. One key measure that we track is our Net Promoter Score (NPS), which simply is how many customers say they would refer a friend to Chase. Since mid-2011, our NPS has roughly doubled in Consumer Banking and Card and tripled in Business Banking. In fact, nearly all CCB businesses are at or close to all-time highs.

We also received validation from respected outside groups. The American Customer Satisfaction Index named Chase #1 in customer satisfaction among large banks in 2014. J.D. Power ranked us #3 in Highest Customer Satisfaction in Mortgage Originations (up from #12 in 2010) and #2 in Mortgage Servicing (up from #13 in 2010). In Business Banking, we are #1 or #2 in every region (up from #22 in 2010).

Building stronger relationships with customers has led to measurable improvement in our leadership positions. This year, the Federal Deposit Insurance Corporation (FDIC) named us #1 in deposit growth among the largest 50 U.S. banks. We are the #1 credit card issuer, #1 in total U.S. credit and debit payments volume, the #2 mortgage originator and servicer, and the #3 non-captive auto lender. Chase is #1 in ATMs and #2 in branches, and chase.com is the #1 online banking portal. Forrester Research named us #1 in mobile banking functionality for the third consecutive year.

With our combination of scale, leading products and outstanding service, we wouldn't trade our franchise for anyone's.

2014 financial results

Across CCB, our businesses delivered strong underlying results throughout 2014 despite market and industry headwinds. Our net income was \$9.2 billion, down from \$11.1 billion in 2013. Our revenue of \$44.4 billion was down 5% from \$46.5 billion in 2013, primarily due to the smaller mortgage originations market during 2014. In 2014, we also experienced lower reserve releases across the Mortgage and Credit Card businesses and felt the continued impact of lower deposit margins. While credit performance still is very strong, the rate of improvement compared with last year has slowed. Overall, we ended the year with a strong return on equity (ROE) of 18%, just under our long-term target of 20% ROE.

We particularly are pleased that we achieved this positive momentum while hitting our aggressive expense target. Since 2012, we have taken

\$3.2 billion of expense out of CCB, and we are on track to reduce expenses by an additional \$2 billion by the end of 2016. Staying disciplined and being as efficient as possible allow us to invest back into our businesses and create strong returns for all of you who have chosen to invest in our company.

CCB demonstrated significant growth in nearly every business in 2014.

Here are some highlights from our businesses:

Consumer & Business Banking

Consumer & Business Banking deposits were up 8% to nearly half a trillion dollars by the end of the year. We talked about customer attrition reaching historic lows – it is down 4% since 2010. To put this in perspective, that equates to 1 million Consumer Banking households and an incremental \$15 billion in deposits.

Chase Private Client (CPC) continues to be a notable success. We have grown to more than 325,000 CPC clients, up 51% from 2013. Client investment assets were up 13%. Since 2012, we've tripled our net new CPC deposits and investments, with 60% of new investments coming from customers who are investing with Chase for the first time. With 55% of affluent households living within two miles of a Chase branch or ATM, we feel well-positioned to continue that growth.

Business Banking loan originations were up 28% in 2014. Loans were up 6%, and deposits were up 12%. And we are extremely proud that we were the #1 Small Business Administration lender for women and minorities in the United States for the third year in a row.

Mortgage

The 2014 mortgage market was one of the most challenging we have faced. We have been very focused on transforming our Mortgage franchise to a simpler, higher quality and less volatile business. In 2014, Mortgage originations were down 53% from 2013 due to the challenging rate environment. But we didn't forget the industry lessons learned over the past several years and remained disciplined. We ceded some market share to focus on our strategy of acquiring high-quality loans. And we actively reduced our foreclosure inventory from roughly 170,000 in 2013 to 90,000 in 2014.

One of the lessons we learned from the industry crisis in Mortgage is that complexity kills. We have reduced the number of mortgage products from 37 to 18, and by the end of 2015, it will be down to 15. Yet those 15 products still will meet 97% of customers' needs. I'm sure the 22 products we are exiting were developed with good intentions to help customers, but they created unnecessary complexity for employees and more expense and execution risk than we needed.

Mortgage Banking also has made tremendous progress in reducing expenses. Mortgage expenses were down 30% over 2013.

Credit Card and Payments

Card Services sales volume of \$465.6 billion was up 11% year-over-year, outperforming the industry for the 28th consecutive quarter. Credit trends continue to improve, and credit card net charge-offs were down 12% from 2013. Our Merchant Services business processes nearly half of the total e-commerce payment volume in the United States. Our processing volume was \$847.9 billion, up 13% year-over-year.

Payments is one of the most interesting areas in our business as consumers are adapting to new ways to pay. We like our strategic position as both a bank that issues cards for consumers and a payment processor for merchants. Through ChaseNet, we also have our own network and can complete every aspect of the payment transaction.

One of the most exciting developments of the year was Apple Pay™. Chase participated as both a consumer issuer and a merchant acquirer. Chase cardholders can register their cards in Apple Pay™ and make digital payments simply by hitting a fingerprint button on their iPhone® 6. Our merchant customers will be able to use our software development kit to enable payments online, in-app and in-store. Tokenization will make those payments safe and secure.

Auto

In Auto, we continue to grow while maintaining our credit discipline. Our originations volume of \$27.5 billion was up 5%, with our average loans up 4%. Here, too, we have stayed disciplined by retaining high credit standards. Our average FICO score on loan originations was 32 points higher than the industry average.

Digital

Digital is transforming our industry. We've seen tremendous growth rates in customer adoption of our digital services. The number of customers who are active on Chase mobile went from 8.2 million in 2011 to 19.1 million in 2014. On average, we added about 18,000 new mobile users per day throughout 2014.

Quite simply, we plan to be the bank of choice for digitally savvy customers. Digital is core to our commitment to an outstanding customer experience. We're bringing digital service to everything from routine deposits to credit card applications, rewards redemptions and mortgage application tracking.

Today's customers expect to be able to transact with us whenever and wherever they choose, whether that's through a superior digital experience, a convenient ATM or a neighborhood branch. Every experience needs to be personal, easy and fast.

With advances in technology, customers will be able to complete 90% of teller transactions at our smart ATMs by the end of 2016. We have made things easier by increasing withdrawal limits and allowing customers to receive their cash in any bill denomination they choose. Mobile also is changing quickly. Customers now can securely view their balances without having to log in and print statements directly from their phone.

Customers aren't choosing between digital and branches – they are using both. When our customers use digital, we see lower attrition, and we're more likely to be their primary bank. We know that our customers still want to come into the branch when they need advice or support, but for a basic transaction, they increasingly prefer to do it themselves.

Here are some of the indicators of the rapid growth in digital in just one year:

- 19 million mobile app users, up 20%
- 45 million Mobile QuickDepositSM transactions, up 25%

- 30 million Mobile Chase QuickPaySM transactions, up 80%
- 60 million in Mobile Bill Pay, up 30%
- 200 million deposits made in a Chase ATM, up 10%

Providing a best-in-class digital experience also is more efficient for the bank. It costs us 3 cents to accept a deposit made from a smartphone and 8 cents for one at an ATM. With our new technologies, we have lowered our costs per deposit by ~50% in 2014 versus 2007.

Our 5,600 branch network is one of our most important assets for acquiring and deepening relationships. Last year, our branches helped nearly 20,000 first-time homebuyers and 400,000 new small businesses and approved more than 1 million credit cards for customers. We've built a footprint that covers the highest growth markets in the United States. But now that our buildout is complete, we won't open as many new branches over the next few years. As all effective retailers do, we continually review locations to determine where we can consolidate and still remain convenient for customers. As a result, our overall branch count will be down slightly from prior years.

Controls: Strengthen and simplify our business

Over the past two years, we have made significant investments in improving our controls. We hired dedicated teams to focus on de-risking the business and invested in technology to automate more processes and reduce manual errors. As one example, we have strengthened our Anti-Money Laundering (AML) procedures with a technology fix. Employees must fill out every data field before completing a new customer application.

Throughout 2014, we made excellent progress on our control agenda. We exited 5,000 Politically Exposed Person relationships and 4,000 relationships with small businesses in high-risk geographies and industries. And we closed more than 100,000 accounts through AML screening and monitoring processes. We hope that by the end of 2015, we will have closed most of our legacy issues and invested in a stronger, simpler and safer business for the long term.

As we move forward into 2015, our core strategy is focused on three key areas: customers, controls and profitability. We will continue to focus on a great customer experience while investing in the best mobile and digital capabilities in the industry. We will continue to further simplify our business by reducing the number of non-core products we have and investing in automation. And to deliver shareholder value, we will meet our expense targets and drive out unnecessary costs while continuing to invest in our business.

Conclusion

Across CCB, we feel very well-positioned for the future. The CCB Leadership Team and I are so proud to serve our customers and shareholders and to lead this exceptional business. Thank you for your investment in our company.

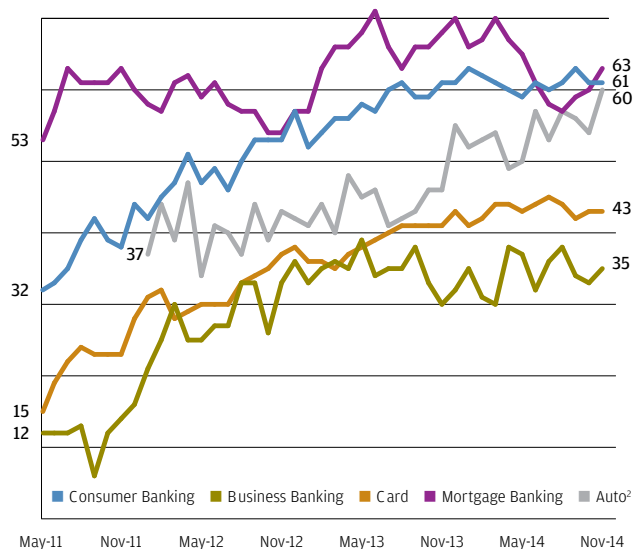


Gordon Smith
CEO, Consumer & Community Banking

2014 HIGHLIGHTS AND ACCOMPLISHMENTS

- Consumer relationships with almost half of U.S. households
- #1 among large banks in the 2014 American Customer Satisfaction Index survey for the third year in a row
- #1 primary banking relationship share in our footprint
- #1 in deposit growth among the largest 50 U.S. banks by the FDIC
- Outpaced the industry in deposit growth for the third consecutive year
- #1 in deposit share in three of the largest deposit markets
- #1 most visited banking portal in the United States – chase.com; #1 mobile banking functionality
- #1 Small Business Administration lender for women and minorities in the United States for the third year in a row
- #1 credit card issuer in the United States based on loans outstanding
- #1 U.S. co-brand credit card issuer
- #1 in total U.S. credit and debit payments volume
- #1 wholly-owned merchant acquirer in the United States
- #2 mortgage originator; #2 mortgage servicer
- #3 non-captive auto lender

Net Promoter Score¹

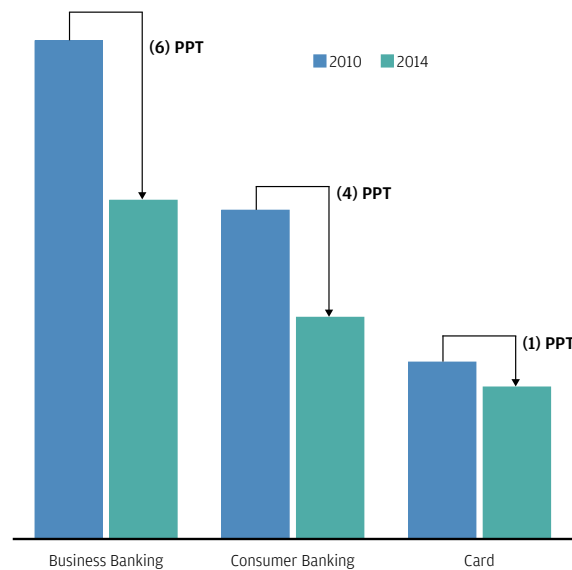


Source: Internal data

¹ Note: Net Promoter Score (NPS) = % promoters minus % detractors

² Auto NPS score tracked beginning in January 2012

Chase Household Attrition Rates³



Source: Internal data

³ Includes households that close all Chase accounts; average of annualized monthly attrition rates over 12 months for 2010 and 2014

PPT = Percentage points



The Branch of the Future is here today

In our branches, state-of-the-art smart ATMs allow customers to self-serve for transactions. Today, 50% of all transactions can be made at an ATM. By the end of 2016, that number will be 90%.

Corporate & Investment Bank



Daniel Pinto

In 2014, the Corporate & Investment Bank (CIB) continued to deliver for clients on the strength of its unique scale, its complete range of offerings and its global reach.

By any measure, the J.P. Morgan CIB is an outstanding franchise. No other firm places so consistently among the top ranks of products across Investment Banking, Markets and Investor Services. Our 2014 performance stands as an example of our ability to adapt to new capital and regulatory rules while optimizing our business, capturing efficiencies and targeting expense reductions – even as we continued to invest for the future.

With a global roster of 7,200 clients, counting more than 80% among the Fortune 500, the CIB offers an inventory of integrated financial products and services. To serve that client base, the CIB has more than 51,000 employees and a presence in 60 countries. Our expertise runs the gamut across investment banking, market-making, investor services, treasury services and research. The work we accomplished in 2014 on behalf of our clients is reflected in

our top-tier rankings across the CIB's spectrum of products and services.

Last year, J.P. Morgan helped clients raise \$1.6 trillion in capital, a 7% increase over the previous year. Of that amount, \$61 billion was raised on behalf of states, local governments, hospitals, universities, school districts and nonprofits. Those funds were earmarked to build research facilities, construct children's hospitals, finance clean water projects through green bonds and extend new rail lines in cities to alleviate traffic congestion, among other public service projects. The CIB also was the #1 firm in U.S. dollar clearing for clients with a 19% share on Fedwire and the Clearing House Interbank Payments System (CHIPS).

It is a franchise that would be extremely difficult to replicate, especially in the regulatory and economic environment we encounter today.

But we are not complacent. Nor do we take our top rankings for granted. In an evolving industry, we must be willing to anticipate and embrace change, operate efficiently and be vigilant in ensuring that our conduct doesn't just meet high standards – it sets them.

In a year marked by uneven economic recovery in Europe, low market volatility and the implementation of additional capital standards, the ability to embrace change and adapt enabled the CIB to maintain its leading market share across all business lines and generate strong returns on \$34.6 billion in net revenue – the highest among our corporate and investment bank peers.

With an improving global economy in 2015, I am confident that many of the headwinds we encountered last year will turn into tailwinds. As the recovery spreads throughout regions, countries and industry sectors, we foresee CEOs gaining confidence to pursue more opportunities. We remain one of the few truly global banks that can provide the complete array of products and services to fuel corporate growth, which, in turn, underpins economic expansion.

Earnings

For the year, the CIB reported net income of \$6.9 billion on net revenue of \$34.6 billion with a reported return on equity (ROE) of 10%. Excluding legal expense, the CIB earned \$8.7 billion with an ROE of 13%. Investment Banking fees of \$6.6 billion were up 4% from the year before. And since 2010, the CIB's Global Investment Banking fees have risen by 25% compared with 17% for the rest of the industry, according to Dealogic.

Combined revenue in Treasury Services and Securities Services rose by 15% during the past five years, far outpacing the rest of the top players' 2% gain.

The Corporate & Investment Bank's broad range of products and services has the positive effect of smoothing out business fluctuations in different market and economic environments. For example, since 2010, the CIB

experienced overall volatility in annual revenue of just 4% compared with 6% for its top competitors. That stability, across fixed income and equity markets, is rooted in our tradition of strong risk management.

What's more, this year's ROE is calculated on \$61 billion of allocated capital, which is \$13.5 billion, or 28%, greater today than it was in 2012.

But strong results going forward depend upon our maintaining a disciplined approach to expenses. Since 2010, we have reduced front office costs by more than \$2 billion. Although much of that reduction has been offset by cost increases in controls, litigation and regulatory fees, we believe those areas are reaching a peak and will normalize over time.

Over the next three years, we have targeted expense reductions of \$2.8 billion, partly coming from more end-to-end efficiencies in technology and operations and a better allocation of resources according to the depth of client relationships. We also expect to

capture cost savings from divestitures and simplification efforts already undertaken in 2014.

Serving clients = gaining share

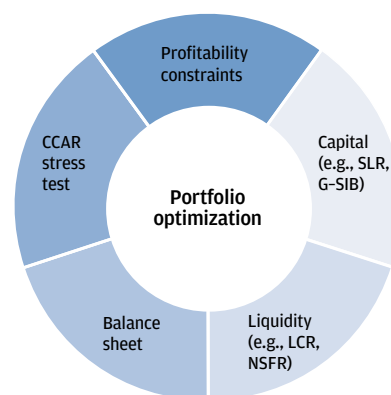
J.P. Morgan gained share and continued to hold top-tier positions across our lines of business, a testament to the firm's client focus and resiliency. In a difficult year, the CIB share of Investment Banking fee revenue led the industry at 8.1%, maintaining its #1 ranking for the sixth year in a row, according to Dealogic.

Also impressive is our ability to work collaboratively across business lines, making it easier for clients to realize their strategic growth plans. For instance, by collaborating across the firm, the CIB once again was able to facilitate client strategies through its partnerships, notably with Asset Management and Commercial Banking. In fact, more Commercial Banking business flowed to the CIB during 2014 than ever before, generating a record \$2 billion in Investment Banking revenue, up by

18% compared with the year before. The power of our partnership with Commercial Banking has been an important factor in bolstering J.P. Morgan's market share, even as the overall industry wallet has declined in recent years.

In 2014, our client demographic continued its shift toward international business. Since 2010, the CIB's combined revenue from Europe, the Middle East and Africa (EMEA), Asia Pacific and Latin America grew by

Optimizing the Businesses under Multiple Constraints

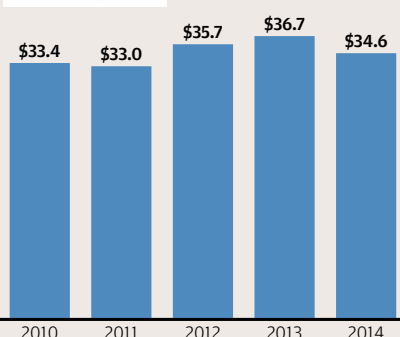


Net Revenue and Overhead Ratio^{1,2} (\$ in billions)

O/H ratio^{1,3}

64%	66%	61%	58%	62%
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5-year average: \$34.7



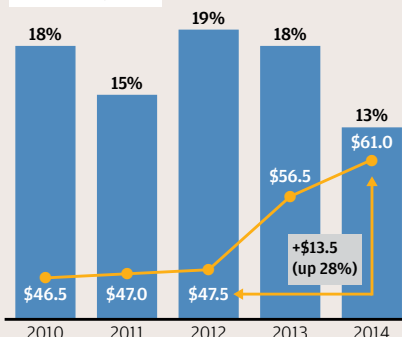
Net Income^{1,2,3} (\$ in billions)

5-year average: \$8.9



ROE^{1,3} (%) and Capital (\$ in billions)

5-year average: 17%



¹ Net revenue, net income, ROE and overhead (O/H) ratio, exclude FVA (effective 2013) and DVA, non-GAAP financial measures, for 2013 and prior years. These measures are used by management for assessment of the underlying performance of the business and for comparability with peers

² All years have been revised for preferred dividends

³ All years exclude the impact of legal expense

DVA = debit valuation adjustment; FVA = funding valuation adjustment; GAAP = generally accepted accounting principles in the U.S.; LCR = liquidity coverage ratio; NSFR = net stable funding ratio; SLR = supplementary leverage ratio

12%. In recent years, international clients collectively have accounted for half of our revenue. They are progressively seeking a broader range of our services and using more of J.P. Morgan's product lineup. As of 2014, about half of our international clients use five or more products, while single-product client relationships have declined by 30%. Internationally, loans grew by 24%, assets under custody are up 36% and cross-border revenue with corporate clients has grown by 13% since 2010.

In Investor Services, clients entrusted J.P. Morgan with \$20.5 trillion in assets under custody, up from \$16.1 trillion in 2010, driven by asset appreciation, as well as client inflows.

Treasury Services operating deposits have nearly doubled since 2010.

In Markets, we now have an 11.5% market share in equities due to a 7% gain in revenue since 2010 compared with revenue for the rest of the top 10 banks, which is down collectively by 7%. And in fixed income markets, our share has consistently ranked #1 during the last five years.

Achieving completeness while simplifying

Having a complete set of core products, accessible to clients across a global network, does not mean we intend to be all things to all people.

As a result of shifts in the regulatory and market environments, we shed ancillary businesses in 2014, including the Global Special Opportunities Group investment portfolio, as well as our physical commodities activities – though we kept our core financial commodities business.

No industry operates in a static environment, least of all ours, so we recognize the necessity of being adaptable

and nimble. The CIB has established a successful track record of optimizing its business model while adjusting to multiple regulatory and other constraints, among them leverage, liquidity, Comprehensive Capital Analysis and Review stress testing, G-SIB and Basel rules. We push down to a very granular level in the organization the achievement of strong risk-adjusted returns in order to maximize long-term shareholder value. For our newest constraint, G-SIB, the CIB will be optimizing capital usage across clients, products and G-SIB factors.

In implementing those efforts, along with others, we have simplified our structure, improved our overall risk profile, and focused our attention on the business lines most valuable to clients and the CIB. By selectively narrowing our business, we also improved our ability to invest in the technologies and services our clients will require and demand in the future while making us stronger for the long term.

“How We Do Business – The Report”

During the course of last year, one of our most important projects was a self-examination leading to an in-depth report called “How We Do Business – The Report.” J.P. Morgan's culture and conduct must be based on integrity, respect for our colleagues and, above all, a commitment to always act in our clients' best interests. In putting the lessons we've learned into practice, we are escalating issues promptly. We also have developed enhanced training programs and are working with our regulators around the world to improve our communication and transparency. When every one of our employees comes to work in the morning, the guiding principle should be, and I believe it is, to do the right thing for our clients at all times.

Drawing from the report, we have rededicated ourselves to the principles espoused by J.P. Morgan, Jr., in 1933 when he said: “I should state that at all times, the idea of doing only first-class business, and that in a first-class way, has been before our minds.”

Our strategies

We are continually looking for ways to improve, be more efficient and serve our clients better. Efficiency is not a code word for eliminating worthwhile and beneficial products and services. To us, it means cultivating and mining our business to find ways we can provide our services faster, better and more effectively.

Efficiency means making incremental investments to enhance and expand what we offer, closing gaps to increase our longer term profitability and embracing the raft of change that is sure to define our industry going forward. We also will be looking to leverage a best-in-class infrastructure across the CIB, retiring duplicative platforms and participating in industry utilities to perform non-proprietary functions across our lines of business.

In our Global Investment Banking business, we will build on our leadership positions across advisory, investing in sectors and geographies where we see areas of opportunity and continued growth.

At the same time, we are making the necessary investments across our Markets businesses and are implementing trading technologies to ensure we are operationally prepared to capture client flows in whichever form our clients want to trade.

Already, we have seen gains through our efforts to date. Equity e-commerce volume is up by 22% in the United States and by 57% in EMEA, just in the last year. Recently, we have

consistently captured share gains in foreign exchange e-commerce, and we hold top-tier rankings on most of the major multi-dealer platforms.

As an active market-maker, we can foresee the increasing complexity that will define the Markets business. Our strategy recognizes that change is inevitable, even if its exact nature cannot be foretold. But in whatever form our clients need us, the CIB will be prepared to capture client flow in all its various forms. Whether it's by voice, electronic or direct market access; whether we are acting on a principal basis or on an agency basis, we will be there for our clients with the products they want.

Our Treasury Services business will focus on the needs of global multinationals to capture the cross-border payments and foreign exchange business associated with increasing global trade flows. With our investments in electronic commerce, we actively will pursue opportunities to migrate clients to electronic solutions and look for more efficiencies across our technology platforms.

Our Investor Services business, which contains some of our most important businesses on behalf of institutional

investors and broker-dealers, has made great strides to improve the end-to-end client experience. We want to make doing business with us as easy as possible – from sales to onboarding to operations and technology to client service.

From a capital perspective, the CIB will continue to be affected by rules based on risk-weighted assets. We will adjust our mix of capital-intensive businesses accordingly and fine-tune the platform as needed. We are intent on reducing our capital-footprint and on keeping ourselves nimble while remaining true to our reputation of providing liquidity and capital in any market environment.

Looking ahead, the signals are positive for a global economy that is gaining momentum. Increasing confidence among consumers and CEOs is expected to continue. That would underpin strong corporate earnings and healthy markets and sustain the active level of merger and acquisition (M&A) activity that marked 2014. Our M&A practice particularly was strong in 2014, with improved wallet share on global industry-wide volume that was up by 26% for the year. We believe 2015 will be another active period in which clients will

look to us for global advisory capabilities and cross-border expertise. Our proven track record includes advising on the largest, most complex deals, which, in many cases, involved acquisition financing and strategies to address shareholder views and other marketplace forces.

Emerging markets economies are becoming increasingly important in global commerce. Both as consumers and as sources of new products and services, multinational companies are expanding their operations in those economies and will require the breadth of services J.P. Morgan uniquely is able to provide.

In 2015, we will execute our strategy in a way that optimizes capital, supports our clients and aids economic growth. Global institutions turn to J.P. Morgan because it has the talent, expertise and portfolio of services needed to conduct their business. We look forward to continuing that tradition in 2015 and beyond.



Daniel Pinto
CEO, Corporate & Investment Bank

2014 HIGHLIGHTS AND ACCOMPLISHMENTS

- The Corporate & Investment Bank delivered market-leading performance in 2014; \$34.6 billion in net revenue was the largest in the industry.
- J.P. Morgan helped clients raise \$1.6 trillion in capital – 7% more than in the previous year. Of that amount, \$61 billion was raised on behalf of states, local governments and public institutions to finance educational facilities, healthcare, environmental projects and other similar purposes.
- Clients entrusted J.P. Morgan with \$20.5 trillion in assets under custody, up from \$16.1 trillion in 2010.
- Treasury Services and Securities Services revenue rose by 15% during the past five years, far outpacing the rest of the top players' 2% gain.
- The CIB has more than 51,000 employees with a presence in 60 countries, serving 7,200 of the world's most significant corporates and financial institutions, governments and nonprofit organizations.
- No other firm in 2014 placed so consistently among the top ranks of products across Investment Banking, Markets and Investor Services.
- The CIB is targeting \$2.8 billion in expense reductions by 2017, including capturing cost savings from divestitures and simplification efforts already undertaken in 2014.
- The firm's business mix is increasingly becoming international; since 2010, the CIB's combined revenue from EMEA, Asia Pacific and Latin America has grown by 12%.

Commercial Banking



Douglas Petno

Our commitment is to be the best commercial bank by helping our clients succeed and by making a positive difference in our communities. In 2014, this meant investing in our business and controls, remaining focused on our clients, and continuing to execute our proven strategy with discipline and patience.

For the year, Commercial Banking (CB) delivered strong results, earning \$2.6 billion of net income on revenue of \$6.9 billion. Our continued expense discipline and exceptional credit performance helped us achieve a return on equity of 18%. We are quite proud of these results as our business continues to navigate changes in the regulatory landscape and adapt to shifting market pressures.

The drivers of our success remain consistent over time: We have an outstanding client franchise, real competitive advantages and a sustainable growth plan. I'm proud to convey our progress for 2014 and share our exciting plans for 2015.

Everything starts with our clients

Selecting the best clients is absolutely critical to the value of our franchise and is deeply embedded in our culture. We seek clients that are highly reputable, share our risk philosophy, have strong management teams and work in preferred industries we truly understand. We believe that we are judged by the company we keep, and, as such, our fantastic client franchise is the foundation for our entire business.

With our global reach and broad-based capabilities, we empower our bankers to be there for our clients with advice, capital and industry insights. By knowing their business, supporting their ambitions and understanding their challenges, we are able to best serve our clients and build strong relationships.

Trust and relationships are often reinforced in times of trouble. That was the case for one of our clients, a large beverage distributor based in the Seattle area. A few years ago, an unexpected industry sales tax increase caused the company to lose a significant portion of revenue within a short time period. The family-run business needed patience to execute a long-

term recovery plan and avoid dramatic job reductions. During this stressful and challenging period, our beverage industry bankers consistently met with senior managers at the company to provide advice and guidance while they developed their plan. In 2014, the company successfully completed its turnaround. Staying with our clients through times like this, and earning their trust and gratitude, is the reason we come to work each day. We pride ourselves on our relationship focus and the loyal support we provide our clients.

Real competitive advantages

Our clients rely on our industry-leading capabilities and comprehensive services that no other commercial bank can provide. As part of JPMorgan Chase, CB is uniquely positioned with access to the #1 investment bank, a leading asset management business, comprehensive payments and treasury services, and an extensive branch footprint. Today, our typical client uses nine of our products and services, and it is common to see our longer-term relationships use more than 20.

When our clients seek to make more efficient payments, generate better reporting, and securely process transactions from their own customers, we leverage our market-leading commercial payments platforms. In 2014, less than 30% of our clients utilized our commercial card and merchant services capabilities. We believe we can double the usage rates of both of these products over time.

Collaborating with the Corporate & Investment Bank (CIB) enables us to bring differentiated advice and market access to our clients. In 2014, CB relationships generated a record \$2 billion in investment banking revenue, representing 35% of the CIB's North American investment banking revenue and reaching the revenue target we set in

2011. We accomplished this by advising 75 clients on strategic transactions and executing more than 1,200 capital markets financings. As we expand our coverage, we believe we can do even more for our clients. We have set a new, long-term goal of \$3 billion in investment banking revenue, and we are confident our partnership with the CIB will enable us to deliver over time.

While our platform and capabilities differentiate us, our success ultimately hinges on our people. We have 7,300 employees, including 1,400 bankers in 118 U.S. cities and 14 international locations. These employees average 20 years of experience, have deep industry expertise and are firmly rooted in their local communities. I'm incredibly proud of the quality and integrity of our people. Their continuous focus on our clients and positive impact in their communities never cease to impress.

Sustainable growth

We continue to execute our disciplined, long-term growth plan, which is designed to add new, high-quality clients and deepen those relationships over time. We are growing our customer base by selectively expanding our geographic footprint and focusing on key growth industries.

In 2014, we continued to pursue our market expansion strategy in the United States, increasing our footprint to 34 new markets, where we served nearly 1,700 clients and generated \$327 million in revenue. We are on our way to reaching our long-term revenue target of \$1 billion from these expansion markets.

To enhance our long-standing industry leadership positions, we are adding specialized bankers and underwriters in many key industries such as technology, healthcare, and food and agriculture. Industry specialization allows us to better deliver client-specific solutions, manage industry risks and demonstrate continuity across the industry life cycle. We see real opportunities to expand our relationships in these key industries and have positioned our teams to best serve these markets.

More and more of our Middle Market Banking clients expect their international activity to increase and be a meaningful percentage of total sales in the next few years. Our International Banking team is well-positioned to help these clients grow and operate in overseas markets. We've added dedicated resources in 14 key international locations and have access to JPMorgan Chase's international footprint in 60 countries.

In our real estate businesses, we continue to see an excellent opportunity to grow our loan portfolio. We believe we can add high-quality assets through the current market environment, as well as benefit from the \$1 trillion of industry maturities that are due over the next three years. In addition, our lending platform is unique in the market and has allowed us to support new clients throughout the life of their loans. We are well-positioned to take advantage of this tremendous opportunity and be a stable source of capital for clients.

Clear priorities

Our priorities for 2015 reflect our mission. To help our clients succeed and make a difference in our communities, we will continue to invest in our business and hire the best people in our markets. We will focus on delivering individual customer solutions to build deeper, stronger relationships. We will continue to safeguard our clients and our business by maintaining our fortress controls. This means understanding all risks in our business and investing in process improvements as needed.

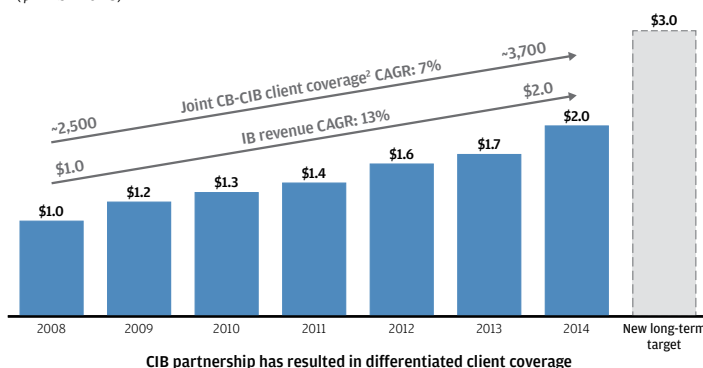
I am incredibly proud of the entire Commercial Banking team. Because of its leadership and fortitude, we've been able to successfully adapt to the evolving regulatory environment and remain disciplined in a competitive market. 2014 showed the real power of our franchise, and I am excited about what we will achieve this year and beyond for our shareholders, clients and employees.



Douglas Petno
CEO, Commercial Banking

Commercial Banking Gross Investment Banking Revenue¹

(\$ in billions)



¹ Represents the total revenue related to investment banking products sold to CB clients

² Commercial Banking clients and prospects jointly covered by the CIB

CAGR = Compound annual growth rate

2014 HIGHLIGHTS AND ACCOMPLISHMENTS

Performance highlights

- Revenue of \$6.9 billion
- Grew end-of-period loans 8%; 18 consecutive quarters of loan growth
- Generated return on equity of 18% on \$14 billion of allocated capital
- Continued superior credit quality – net charge-off ratio of 0%

Leadership positions

- Top 3 traditional middle market syndicated lender¹
- #1 U.S. multifamily lender²
- J.P. Morgan ACCESS Online ranked the #1 cash management portal in North America by Greenwich Associates³

Business segment highlights

- Middle Market Banking – Fifth consecutive year of loan growth; added more than 550 new clients
- Corporate Client Banking – Record gross investment banking revenue⁴
- Commercial Term Lending – Record quarterly originations; full-year originations of nearly \$13 billion
- Real Estate Banking – Eighth consecutive quarter of loan growth with a record \$10 billion in originations
- Community Development Banking – Originated more than \$1 billion in new construction loans, building 9,000 units of affordable housing in nearly 90 cities within our footprint

Firmwide contribution

- Commercial Banking clients accounted for 35% of total North American investment banking fees⁵
- \$2.4 billion in treasury services revenue
- Almost \$120 billion in assets under management from Commercial Banking clients, generating close to \$500 million in investment management revenue
- \$490 million in Card Services revenue⁴

Progress in key growth areas

- Middle Market expansion – Record revenue of \$327 million; 19% CAGR⁶ since 2012
- Investment Banking – Record gross revenue⁴ of \$2 billion; 12% CAGR⁶ since 2012
- International Banking – Record revenue⁷ of \$304 million; 13% CAGR⁶ since 2012

¹ Thomson Reuters as of year-end 2014. Traditional middle market is defined as credit facilities of <\$100 million from clients with <\$500 million in revenue

² Federal Deposit Insurance Corporation data as of 3Q 2014

³ Greenwich Associates 2014 Online Services Benchmarking Study

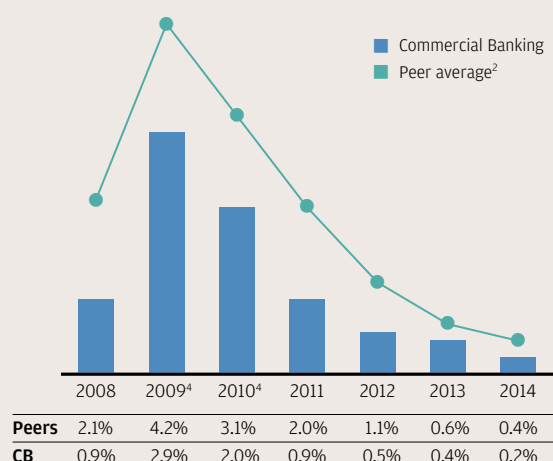
⁴ Investment banking and Card Services revenue represents gross revenue generated by CB clients. Investment banking includes Banking and Markets revenue. Card Services includes Commercial Card and Paymentech revenue

⁵ Calculated based on gross domestic investment banking revenue for syndicated and leveraged finance, M&A, equity underwriting and bond underwriting

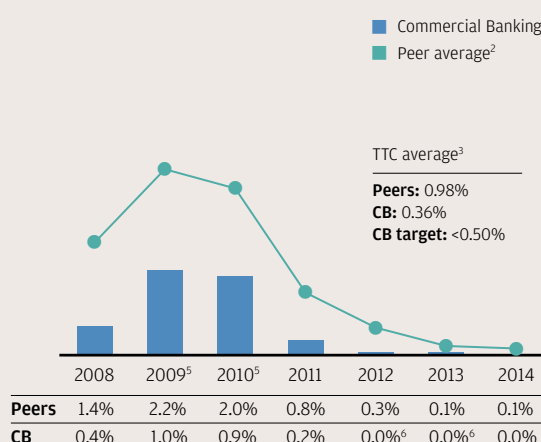
⁶ Compound annual growth rate

⁷ Denotes overseas revenue from U.S. multinational clients

Non-performing Loans¹



Net Charge-offs



¹ Based on end-of-period loans

² Peer averages include CB-equivalent segments or wholesale portfolios at BAC, CMA, FITB, KEY, PNC, USB, WFC

³ Through-the-cycle (TTC), 2008-2014 average

⁴ Excluding pre-acquisition Washington Mutual (WaMu) originations, Chase represented 1.67% in 2009 and 1.02% in 2010

⁵ Excluding pre-acquisition WaMu originations, Chase represented 0.93% in 2009 and 0.74% in 2010

⁶ Commercial Banking net charge-offs for 2012 and 2013 were 0.03%

Asset Management



Mary Callahan Erdoes

At J.P. Morgan Asset Management, we take great pride in the fact that so many institutions and individuals around the world entrust us to manage their money. Clients rely on our advice, ideas and solutions for some of their most meaningful life events, from saving for college or retirement to securing their family's future to supporting philanthropic and charitable endeavors. With a heritage dating back nearly 200 years, we know how important it is to earn clients' trust, and we recognize that it is our responsibility to re-earn that trust every day.

Our strong fiduciary culture enables us to stay focused first and foremost on our top priority: long-term investment performance. This core principle of our business, combined with advice-driven client coverage teams, has enabled us to build a leading global client franchise that delivers superior investment strategies to our clients and strong financial performance to our shareholders.

Consistently reporting strong investment performance for clients

Success, both for our clients and our business, begins with our continuous investment in research for our

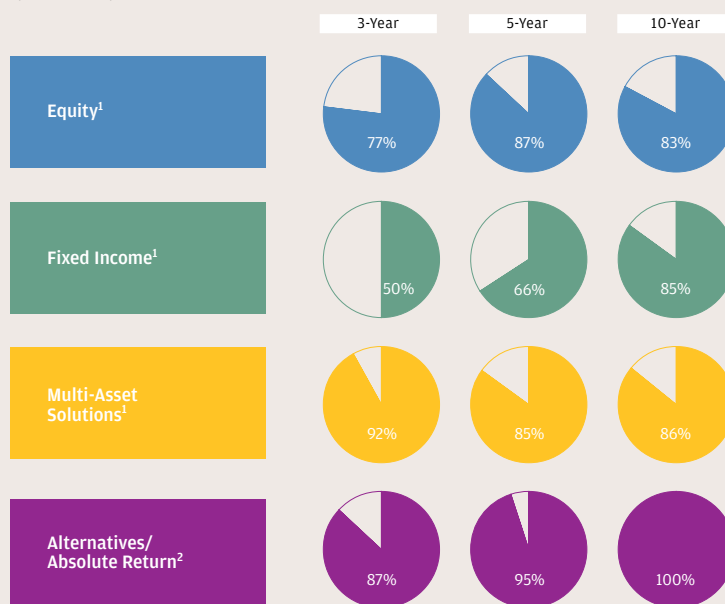
clients. Our investment management platform, for example, has a global network of more than 600 portfolio managers, 250 research analysts and 30 market strategists.

Our research-based approach has led to 84% of our 10-year long-term mutual fund assets under management (AUM) placing in the top two performance quartiles and 228 of our mutual funds being 4- or 5-star rated. It is worth noting that our performance is not the result of strength in one particular asset class or region. It represents top-tier performance spanning asset classes around the world.

Client flows

Clients around the globe vote with their feet, and they continue to entrust us with more of their assets every year. In 2014, our client assets grew to \$2.4 trillion as we received an additional \$100 billion in net long-term client asset flows. In fact, since 2010, we have averaged \$100 billion per year in net long-term client asset flows.

% of 2014 Assets Under Management Over Peer Median¹/Benchmark² (net of fees)



¹ Represents the proportion of retail open-ended mutual fund assets that are ranked above peer category median

² Represents the proportion of GIM assets in mutual funds, commingled funds and segregated portfolios that are exceeding (net of management fees) their respective official benchmark. Excludes private equity, real assets and other longer-dated or closed-end investment strategies

For footnoted information, refer to slides 23 and 24 in the 2015 Asset Management Investor Day presentation, which is available on JPMorgan Chase & Co.'s website at <http://investor.shareholder.com/jpmorganchase/presentations.cfm>, under the heading JPMorgan Chase 2015 Investor Day, Asset Management, and on Form 8-K as furnished to the SEC on February 24, 2015, which is available on the SEC's website at www.sec.gov.

We also have achieved 23 consecutive quarters of positive long-term AUM flows, a milestone that few, if any, of our competitors can match. Our active equity mutual fund flows ranked #2 in the industry in 2014, marking our third consecutive year ranking in the top three. In fixed income, we ranked #4 in long-term active mutual fund AUM flows, and, importantly, we are the only firm that ranked in the top four in each of the past five years.

Creating strong financial performance for shareholders

We are proud of being able to deliver such impactful results to our clients while, at the same time, delivering first-rate financial performance to our shareholders. In 2014, we achieved revenue growth of 5%, pre-tax income growth of 5%, pre-tax margin of 29% and return on equity of 23%.

Within the business, each of our client franchises – Global Investment Management (GIM) and Global Wealth Management (GWM) – continues to deliver impressive growth. In 2014, both businesses achieved record annual revenue and strong

pre-tax earnings growth. Given the long-term approach we take to running our business, we are even prouder of our sustained performance over the past five years.

GIM

Since 2009, GIM has a compound annual growth rate (CAGR) of 9% for revenue and 7% for pre-tax earnings. That success is due, in large part, to our core strengths of being insight driven, taking a long-term approach and leveraging our global talent. Our retail funds business has had impressive asset gains, with five-year growth of 120%. Our institutional business is growing faster than the market in all client channels – insurance, defined contribution, U.S. endowments and foundations, sovereign wealth funds and defined benefit.

GWM

It is an equally powerful story in GWM, where revenue and pre-tax income have increased at a CAGR of 8% and 7%, respectively, since 2009. We continue to differentiate ourselves in the marketplace as the firm that can offer unparalleled insights to help clients fulfill their vision. As an example of our clients' commit-

ment to GWM, more than 50% of our assets come from clients with at least \$100 million entrusted with the firm. All of our clients, no matter the size of their relationship with us, choose to work with J.P. Morgan because we take the time to get to know their personal needs, and we can help them across both sides of their balance sheet.

Continuously reinvesting for the future

Our success would not be possible without continued reinvestment in the business – both to expand our offering and to maintain a strong control and risk environment. Our long-term commitment to building the best possible franchise means that we always are focused on ways to improve our business across all market cycles.

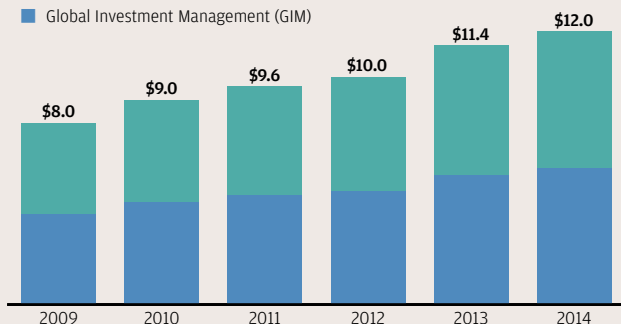
Adding top advisors to cover more clients

We continue to invest in bringing on world-class talent. Over the last five years, we hired and trained hundreds of new advisors. Expanding our client coverage teams enables us to help more clients around the world who need investment expertise and long-

Revenue

(\$ in billions)

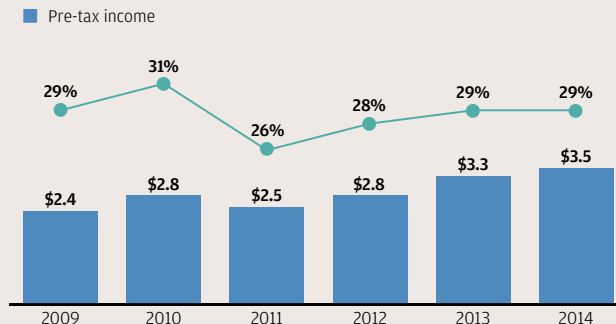
■ Global Wealth Management (GWM)
■ Global Investment Management (GIM)



Pre-tax Income

(\$ in billions)

■ Pre-tax margin
■ Pre-tax income



term solutions. We have nearly 20,000 people serving clients in more than 130 countries across the globe, including 60% of the world's largest pension funds, sovereign wealth funds and central banks; more than 3,000 global financial intermediaries; and many of the world's wealthiest individuals and families.

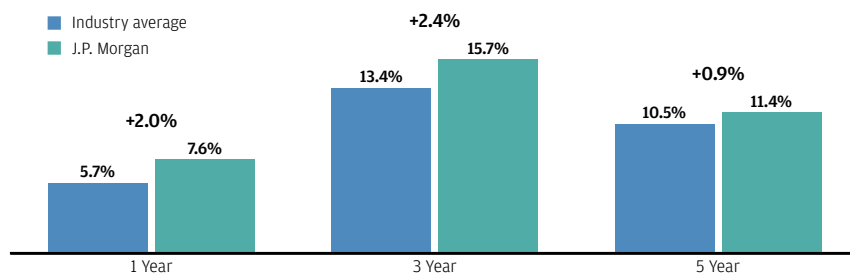
Leader in Alternatives

We are one of the leading alternatives providers, with \$214 billion in alternatives/absolute return client assets across our client franchises. That places us ahead of nearly all of the largest players in this space. Much of our growth is due to our focus on innovating to meet client needs. In 2014, we introduced more than 30 new strategies focusing on timely themes that include private technology late-stage equity, emerging markets growth equity, specialty insurance and credit, liquid alternatives and infrastructure.

High-growth multi-asset solutions platform

In 2015, we are faced with global central bank policy divergence, regulatory changes, complex geopolitical issues and increasing market volatility. Given this landscape, investors are looking for solutions providers who can act quickly and offer go-anywhere

SmartRetirement 2035 (S&P Target Date 2035)¹



¹ Fund and index performance as of 12/31/14. Fund performance is net of fees. SmartRetirement performance is reflective of U.S. select shares. S&P Target Date 2035 total return USD represents Total Return Index. Past performance is not indicative of future performance, which may vary. Industry average source: Morningstar, *Strategic Insight* and eVestment

and absolute return-focused strategies to complement their portfolios.

GIM's multi-asset solutions business is designed to help clients in this regard. The business has seen tremendous growth over the past five years, with a CAGR of 31%. That places us firmly in front of the industry average of 13%. Our momentum includes having our SmartRetirement offering named 2014 U.S. Allocation Fund Manager of the Year by Morningstar, with seven of its nine vintages in the top decile over the past five years.

A strong position with room to grow

We are incredibly proud of how our business has evolved over the past years, decades and centuries. We are doing more for clients than ever

before, and our commitment to first-class business in a first-class way has created a franchise that would be hard to replicate. It is a great privilege to be entrusted with so many client assets from around the world. In return, we are committed to working hard every day to continue to generate value for clients, shareholders and employees.

Mary Callahan Erdoes
CEO, Asset Management

2014 HIGHLIGHTS AND ACCOMPLISHMENTS

- Best Global Wealth Manager, *Euromoney* Global Excellence Awards
- #1 U.S. Large Cap Core Equity Manager of the Year, *Institutional Investor*
- #1 Equity and Fixed Income Private Bank Portfolio Management, *Euromoney*
- #1 Institutional Money Market Fund Manager Worldwide, *iMoneyNet*
- #1 Global Active Long-Term Mutual Fund Flows, *Strategic Insight*
- 2014 U.S. Allocation Fund Manager of the Year, Morningstar
- Top European Buyside Firm, Thomson Reuters Extel
- Best Asset Management Company for Asia, *The Asset*
- Best Private Bank for Asia High-Net-Worth, *The Asset*
- #1 Large Fund of Hedge Funds Manager of the Year, *Institutional Investor*

Corporate Responsibility



Peter Scher

A common challenge facing communities around the world is the need for greater economic growth and more widely shared prosperity. Creating more jobs, starting and expanding businesses, and removing barriers to opportunity will not only benefit society but, by extension, our firm.

At the core of our business, JPMorgan Chase is in a unique position to help our clients navigate an ever more complex global economy and spur the growth that fuels their progress. We not only understand the challenges clients are facing, we have the skills, resources and expertise to make a meaningful difference in helping solve them.

Our corporate responsibility work has the same objective – to use the skills, resources and expertise of our firm to support the economic growth and progress of our communities. In recent years, we have sharpened that focus. With millions of people around the world migrating to urban areas, cities are fast becoming the key drivers of global economic growth – and essential linchpins in expanding access to opportunity. So we have refocused many of our efforts on helping develop strategies to bolster

the long-term economic vitality of the world's cities.

In 2014, we developed and expanded our programs with a focus on three distinct challenges:

First, we are helping metropolitan regions compete more effectively in the global economy. Through our Global Cities Initiative with the Brookings Institution, we have expanded our work to help cities in the United States, Europe, Asia and Latin America develop strategies for increasing international trade and investment ties.

Second, we are helping cities around the world address one of their biggest challenges: the need for a better trained workforce to fill the millions of jobs left open due to a shortage of applicants with the right skills. Through our New Skills at Work program, we are developing strategies that align workforce training with the skills employers seek and are providing much-needed data to strengthen workforce systems.

Finally, we are helping cities create thriving small business sectors centered around high-growth industries through our Small Business Forward initiative.

All of these challenges come together in Detroit. In 2014, we made a \$100 million, five-year commitment to the city's economic recovery that brings together both business and philanthropic resources to support and accelerate some of the most innovative efforts underway to revitalize an iconic American city. But we're putting more than just our money to work; our people have significant expertise to offer, and, in 2014, we sent a dozen of our top managers from around the world to Detroit to work with local nonprofits. It's a model we plan to replicate and expand in the coming years.

Underpinning all of these efforts is the belief that achieving meaningful impact requires us to apply the same standard to our philanthropic investments as we do to our business investments: a genuine commitment to accountability, transparency and impact.

To that end, we recently formed a five-year partnership with the Urban Institute, one of the most well-respected nonprofit research organizations in the United States, to assess our major philanthropic initiatives – to analyze our efforts, produce independent research and strengthen our programs – further advancing our commitment to maximum impact for our communities and accountability to our shareholders.

We are very proud of our work over this past year and are committed to making our communities and our firm even stronger.

A stylized, handwritten signature in black ink, consisting of several fluid, overlapping strokes.

Peter Scher
Head of Corporate Responsibility

Invested in Detroit

JPMorgan Chase has roots in Detroit going back to the 1930s, supporting our clients and the community through the investments, loans and other services that are core to our business. And while we recognize that the city's challenges remain significant, JPMorgan Chase believes that Detroit has the ingredients and intrinsic strengths to rebuild a vibrant, modern economy.

In 2014, JPMorgan Chase launched a \$100 million, five-year commitment to support and accelerate the dynamic recovery that is underway in Detroit:

- **Community Development:** We provided \$40 million in responsive, long-term investment capital to two leading community development financial institutions to finance vital projects that often lack access to traditional sources of capital.
- **Stronger Neighborhoods:** Our support of the Detroit Land Bank Authority and our innovative partnership with a local community bank to provide rehabilitation loan financing are accelerating the city's ambitious efforts to reduce blight and stabilize neighborhoods.
- **Workforce Readiness:** We are helping the city strengthen its workforce system, build partnerships between employers and training programs, and give residents access to training in the skills employers are seeking.
- **Small Business Growth:** We are partnering with local nonprofits to help Detroit's vibrant small businesses access the resources and expertise needed to get their businesses off the ground.

Detroit's recovery will take time, but we are excited by the progress we have seen so far. We're in the city for the long term, and we will continue to learn and adapt as we work with our partners to help tackle Detroit's challenges.

New Skills at Work

In December 2013, we launched New Skills at Work, a \$250 million, five-year workforce readiness initiative to close skills gaps in sectors where employers struggle to fill vacancies and to help job seekers access the education and training required for these positions. A key component of the program is focused on research that provides actionable data to better understand the dynamics of labor markets. Based on those findings, we directed grants to support innovative nonprofit programs around

the world that demonstrate success working with employers to articulate demand in growing sectors and training workers in those high-demand areas. Here are some examples:

- In Houston, we co-chaired a task force composed of businesses, training programs and educational institutions that developed UpSkill Houston, a five-year plan to raise awareness of middle-skill job opportunities, increase access to technical education and training, and improve the alignment between employers and education/training providers.



- In Europe, we provided data-driven, country-specific analyses that map the latest employment trends and identify barriers to full and inclusive employment in the United Kingdom, Germany, Spain and France. In conjunction with U.K.-based Institute for Public Policy Research, we released a comprehensive review of European jobs and skills.
- In New York City, we published a report that identified high-growth employment sectors for middle-skill jobs and outlined recommendations to address the skills gaps impeding employment in these industries. We supported an innovative partnership among a large employer, a social service organization and a community college that helps young adults in a low-income community acquire the credentials needed to secure a job in the expanding healthcare sector.

Global Cities Initiative

The Global Cities Initiative (GCI), a joint project launched by the Brookings Institution and JPMorgan Chase in 2012, equips metropolitan leaders with the data, policy ideas and networks needed to support the economic growth of metropolitan regions through trade and investment.

In 2014, GCI introduced innovative research, including an analysis of the role foreign direct investment (FDI) plays in rebuilding metro economies, a report on the economic contributions of foreign students to U.S. cities, an analysis of the changing patterns of London's exports, and research on the global competitiveness of Munich, Hong Kong and Mumbai.

Supporting this new research, GCI held high-profile convenings around the world that brought together leaders from business, government and nonprofits to explore best practices and catalyze local action. GCI held meetings in Hong Kong, London, Louisville-Lexington, Munich, Phoenix and Seattle – each of which attracted hundreds of participants interested in understanding how their metropolitan area was developing trade and investment strategies.

To transform knowledge about global trade and investment into local action, GCI launched the Global Cities Exchange (GCX) – an academy for cities seeking to develop and implement actionable global strategies. By the end of 2014, GCX had enrolled 28 cities, of which 12 had completed export strategies, and six were working on FDI strategies.

Small Business Forward

Small businesses act as vital engines driving job creation and economic development, but many entrepreneurs lack access to the resources needed for growth. In 2014, JPMorgan Chase launched Small Business Forward, a \$30 million, five-year initiative to catalyze small business development in cities around the world.

We know that having a good business idea is only part of what it takes for entrepreneurs to succeed. They also need access to investors, training, facilities, customers and export opportunities. Research has shown that these supports become even more effective when they target clusters of small businesses working in the same sector and geography. According to a study conducted by the Initiative for a Competitive Inner City and supported by JPMorgan Chase, businesses in well-established clusters outpaced overall regional growth by more than 300% between 2003 and 2011.

Small Business Forward supports nonprofits around the world that provide small business clusters with the critical resources they need to succeed. By helping regional economies build on their core assets to develop thriving enterprises, we are strengthening communities across the globe.

2014 HIGHLIGHTS AND ACCOMPLISHMENTS

Developing local economies and communities

- Provided \$2.6 billion to low- and moderate-income communities through our community development lending and equity investments to build or preserve 35,100 units of affordable housing, serve 5,000 students, create nearly 2,200 manufacturing jobs and serve 380,000 patients at healthcare facilities.
- Implemented year one of the firm's New Skills at Work program, a \$250 million, five-year initiative to strengthen local workforce systems by providing real-time data and supporting partners to align training with employer and job seeker needs (see previous page).
- Committed \$5 million over two years to help underserved youth across the United States obtain the skills necessary to build lasting careers and partnered with other organizations to create almost 50,000 summer jobs for teens and learning opportunities for more than 54,000 young people in 14 cities. In 2014, we released a report highlighting best practices from our network of nonprofit partners and identifying opportunities to advance summer youth programs.



- Expanded The Fellowship Initiative, a JPMorgan Chase college-access program for young men of color that provides academic, leadership and experiential learning opportunities for 120 student Fellows in New York, Chicago and Los Angeles to develop the knowledge, skills and networks needed to complete high school and succeed in college and beyond.

- Expanded the impact of the Global Cities Initiative beyond the United States and assessed the global competitiveness of European and Asian cities, convened leaders from around the world and broadened the reach of the Global Cities Exchange network of cities (see previous page).
- Exceeded 560,000 hours of volunteer service by JPMorgan Chase employees globally and provided \$3.3 million of technical assistance to nonprofits through Technology for Social Good, an initiative utilizing our employees' skills to develop technology solutions for the social sector.

Honoring U.S. military and veterans

- Continued our leadership of the 100,000 Jobs Mission, a coalition of employers formed in 2011 that collectively hired more than 217,000 U.S. veterans and military spouses by the end of 2014 and raised its hiring goal to 300,000 hires. From 2011 through March 2015, JPMorgan Chase has hired nearly 8,700 veterans.
- Supported research conducted by RAND Corporation to capture the lessons and experiences from 100,000 Jobs Mission companies on integrating veterans into the private sector workforce.
- Exceeded the first-year goal of the firm's \$20 million, five-year commitment by deploying \$8 million to help U.S. military veterans and their families develop in-demand job skills, retain quality employment, increase college graduation rates and connect to stable housing opportunities.
- Awarded more than 750 newly renovated, mortgage-free homes worth over \$125 million to veterans and their families since 2010.

Supporting small business development

- Provided \$19 billion in new credit to small businesses across the United States and was recognized as the #1 lender by units to women- and minority-owned businesses for the third consecutive year by the U.S. Small Business Administration.
- Launched Small Business Forward, a \$30 million, five-year commitment to support small business clusters that provide comprehensive support services to entrepreneurs (see previous page).
- Awarded \$3 million to support small businesses making a positive impact in communities across the United States through our Mission Main Street Grants® program.

Strengthening financial capability



- Launched the Financial Solutions Lab, a \$30 million, five-year initiative to identify, test and expand promising innovations to help Americans increase savings, improve credit and build assets. The first Lab competition focuses on supporting solutions to help consumers manage their household finances.
- Committed \$35 million over two years to support and expand proven financial capability programs with nonprofits globally, investing in the development of technology-driven products and services designed to meet consumer needs, the infrastructure to expand the availability of these products and services, and the research to evaluate and share best practices with the field.

Promoting sustainable investment

- Underwrote more than \$2.2 billion in green bonds – debt issuances where proceeds are directed toward environmentally beneficial or climate-friendly purposes – in 2014.
- Provided founding sponsorship of NatureVest, an initiative of The Nature Conservancy to attract investment capital to conservation.
- Invested \$5 million through a new joint investment with the U.K. government in Novastar Ventures to develop early-stage businesses that provide essential basic services to underserved communities in East Africa.
- Announced the first investments through the Global Health Investment Fund, an innovative financing vehicle structured by JPMorgan Chase and the Bill & Melinda Gates Foundation, to support the final development and distribution of a new treatment for cholera and a powerful diagnostic for tuberculosis.

Increasing transparency with stakeholders

- Convened senior business leaders and leading national policy groups to foster open conversations about Chase products, policies and public policy matters that impact, in particular, low- and moderate-income communities, communities of color and people with disabilities.
- Released an Environmental and Social Policy Framework, after extensive engagement with external stakeholders, to communicate our approach to environmental and social risks in our business.
- Collaborated with Ceres to engage a group of external stakeholders in a dialogue focused on sharing perspectives and priorities to help us enhance our approach to human rights.