



INVESTOR  
DAY | 2022

# CORPORATE & INVESTMENT BANK

FIRM OVERVIEW

GLOBAL TECHNOLOGY

CONSUMER & COMMUNITY BANKING

INTERNATIONAL CONSUMER GROWTH INITIATIVES

▶ CORPORATE & INVESTMENT BANK

COMMERCIAL BANKING

ASSET & WEALTH MANAGEMENT

JPMORGAN CHASE & Co.

## Topics for discussion

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### ① CIB Overview

- Financial overview
- Positioning for growth

### ② Markets

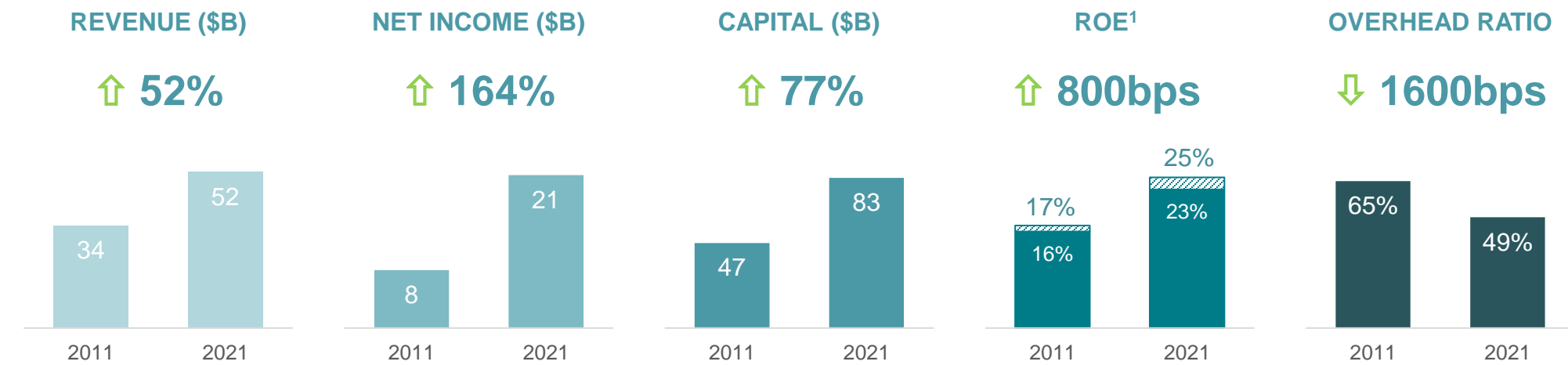
- Industry-leading global franchise
- Client-centricity driving our leadership position
- Scale and competitiveness in electronic markets

### ③ Payments

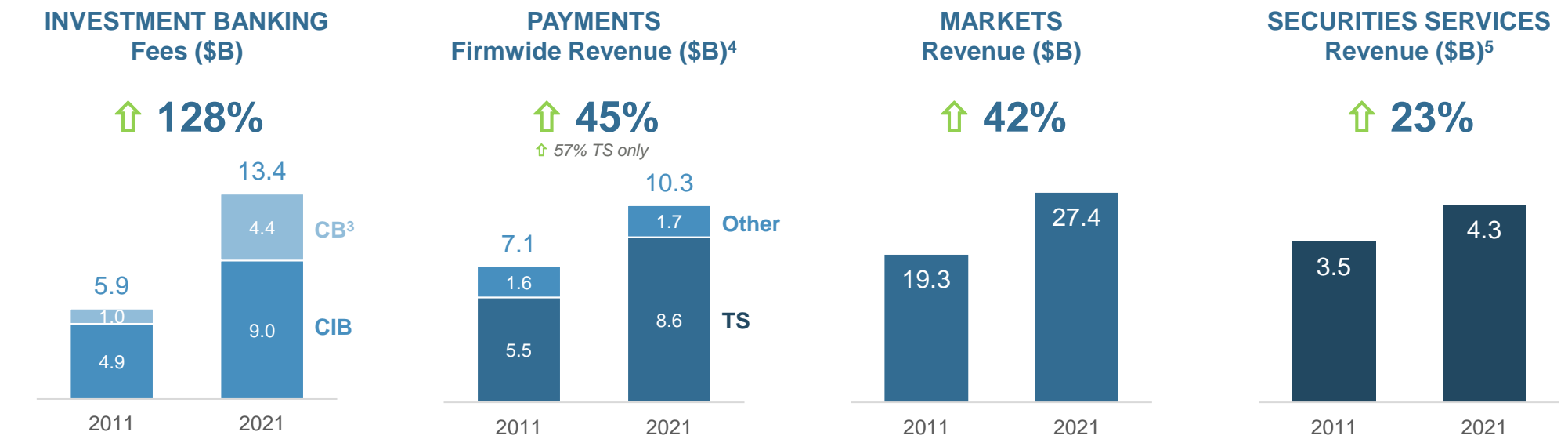
- Overview and unique value proposition
- Strong financial performance
- Strategic focus areas to drive growth

### ④ Closing Remarks

# Since the formation of the CIB, we have consistently delivered strong financial performance and remain the #1 CIB franchise



Industry²: ↑ 14%



Industry²: ↑ 90%

↓ (13%)  
TS only

↑ 5%

↑ 12%

**Global, complete, diversified, and at scale**

**100+** countries

**~100** currencies

**90%+** of Fortune 500 companies

**Top 2** in 21 of 24 businesses;  
**#1 in 14 businesses²**

**~68,000** employees

¹ Shaded bar represents reported ROE. Solid bar represents adjusted ROE which is a non-GAAP financial measure. Refer to page 44 for non-GAAP financial measures.

² Source: Coalition Greenwich Competitor Analytics and Dealogic. Payments reflects Global Firmwide Treasury Services business (CIB and CB). Securities Services includes Corp Trust, Escrow and Clearing & Settlement. For footnoted information, refer to page 45.

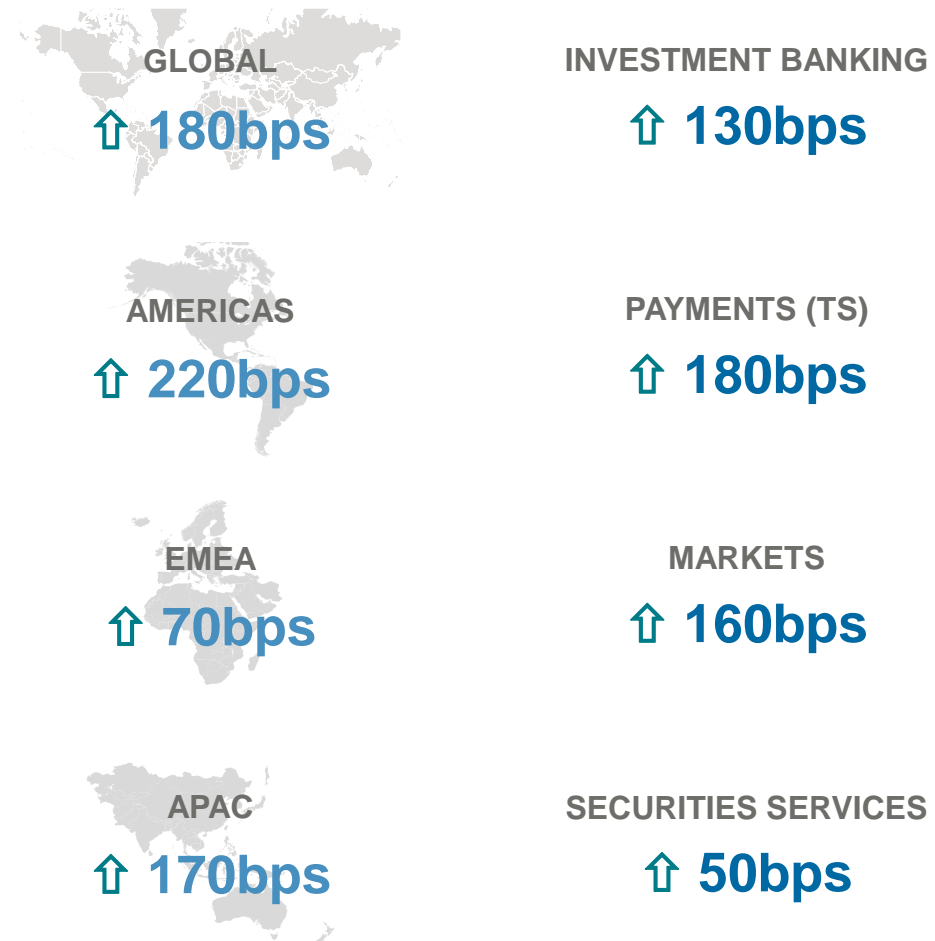
³ Represents total DCM, ECM, M&A, SLF and ABS deal fees associated with CB clients.

⁴ Includes CB and CCB. 2011 revenue adjusted to include firmwide Chase Merchant Services revenue of \$1B in Other.

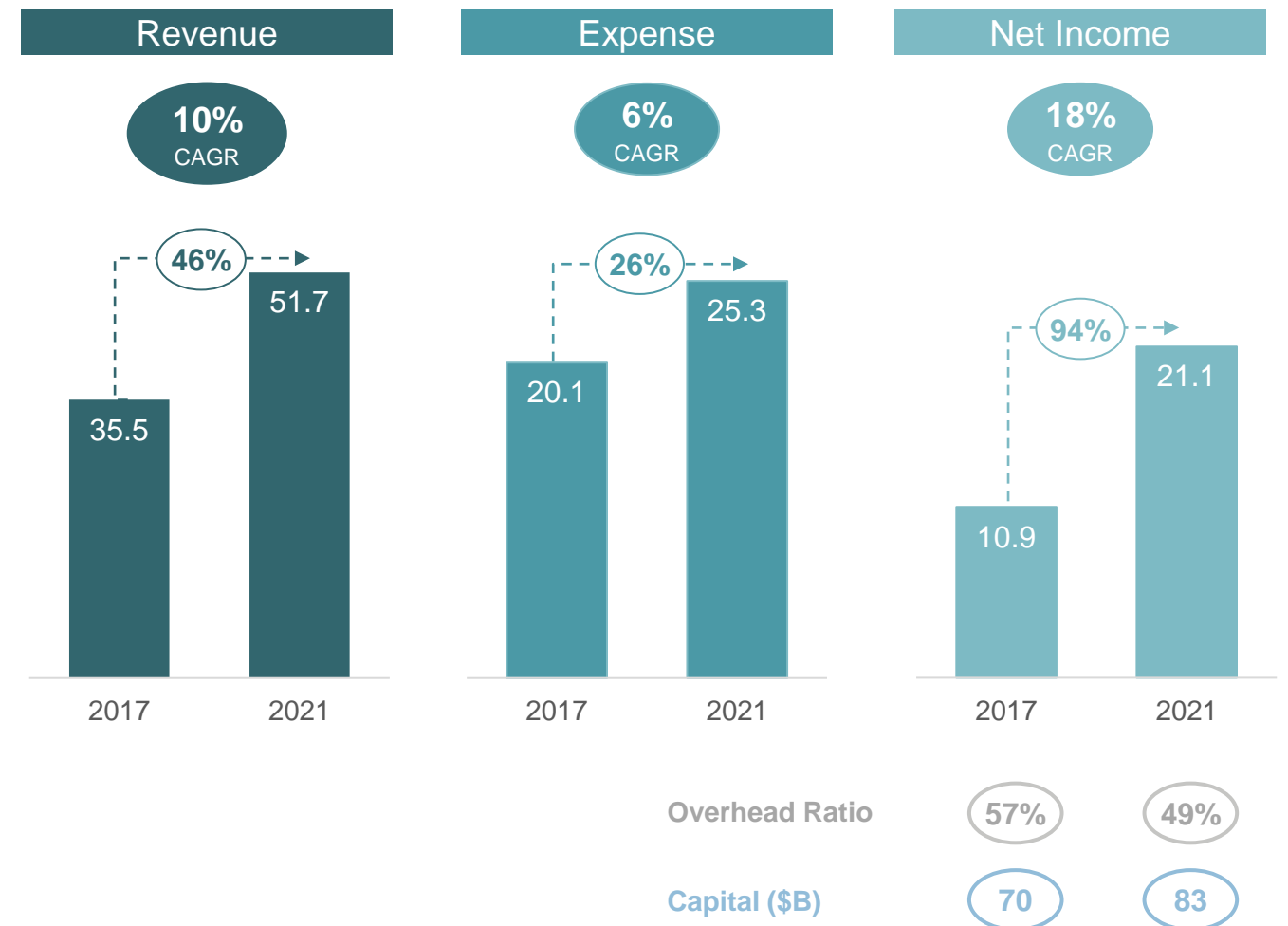
⁵ 2011 revenue adjusted by \$(0.4)B to exclude the impact of past business simplification, exit actions and accounting changes.

# Since 2017, our market share has grown across all businesses and regions, while maintaining expense discipline and operating leverage

## Significant market share improvements between 2017 and 2021<sup>1</sup>...



## ...enabled strong financial results<sup>2</sup>

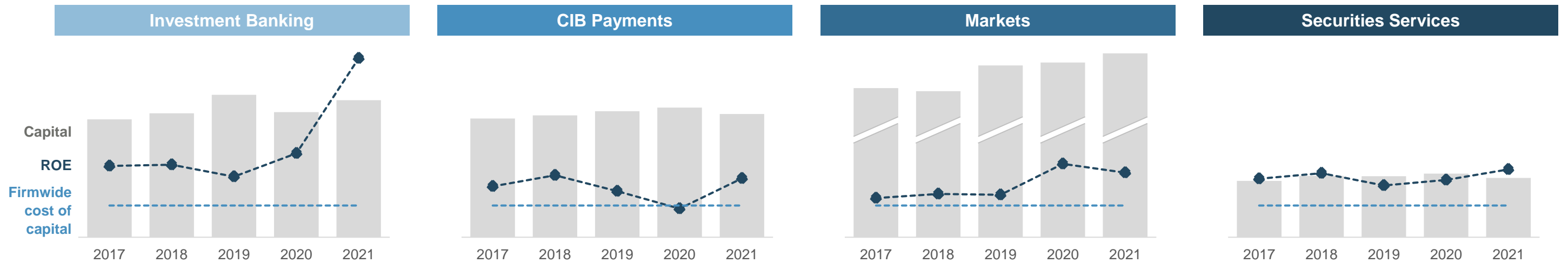
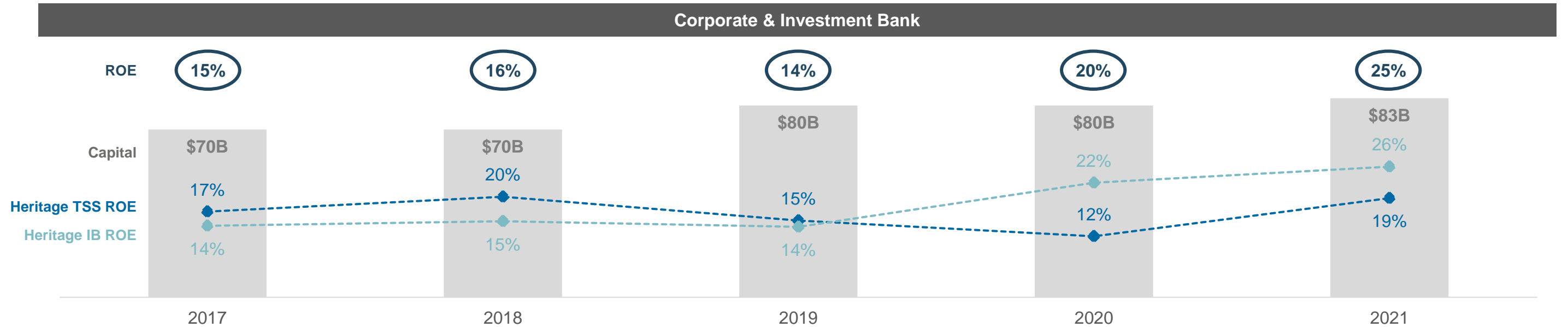


<sup>1</sup> Source: Coalition Greenwich Competitor Analytics and Dealogic. Securities Services excludes Corp Trust, Escrow and Clearing & Settlement For footnoted information, refer to page 45.

<sup>2</sup> For footnoted information, refer to page 44.

# We've delivered strong results across our businesses at returns above the firmwide cost of capital

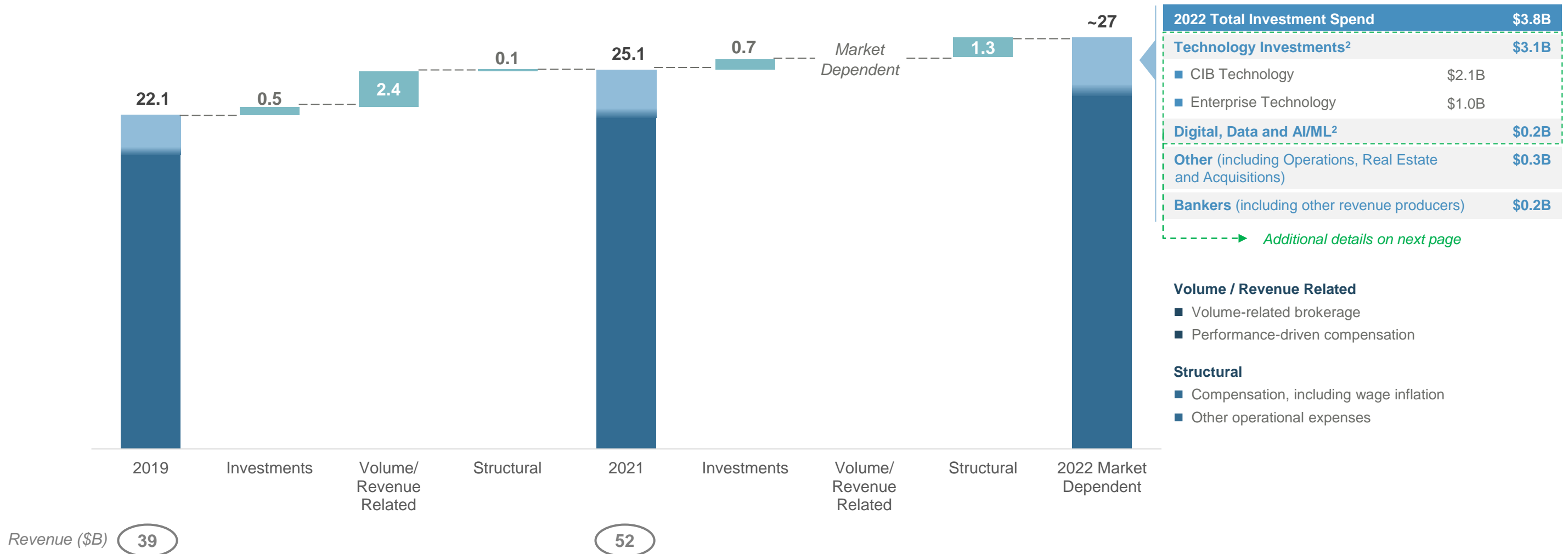
NOT TO SCALE



Note: As reported ROE for Corporate & Investment Bank. ROE for CIB businesses (Investment Banking, Payments, Markets, Securities Services) adjusted to exclude the impact of legal expense.

# Expense growth was mainly driven by business volume / revenue growth and investments

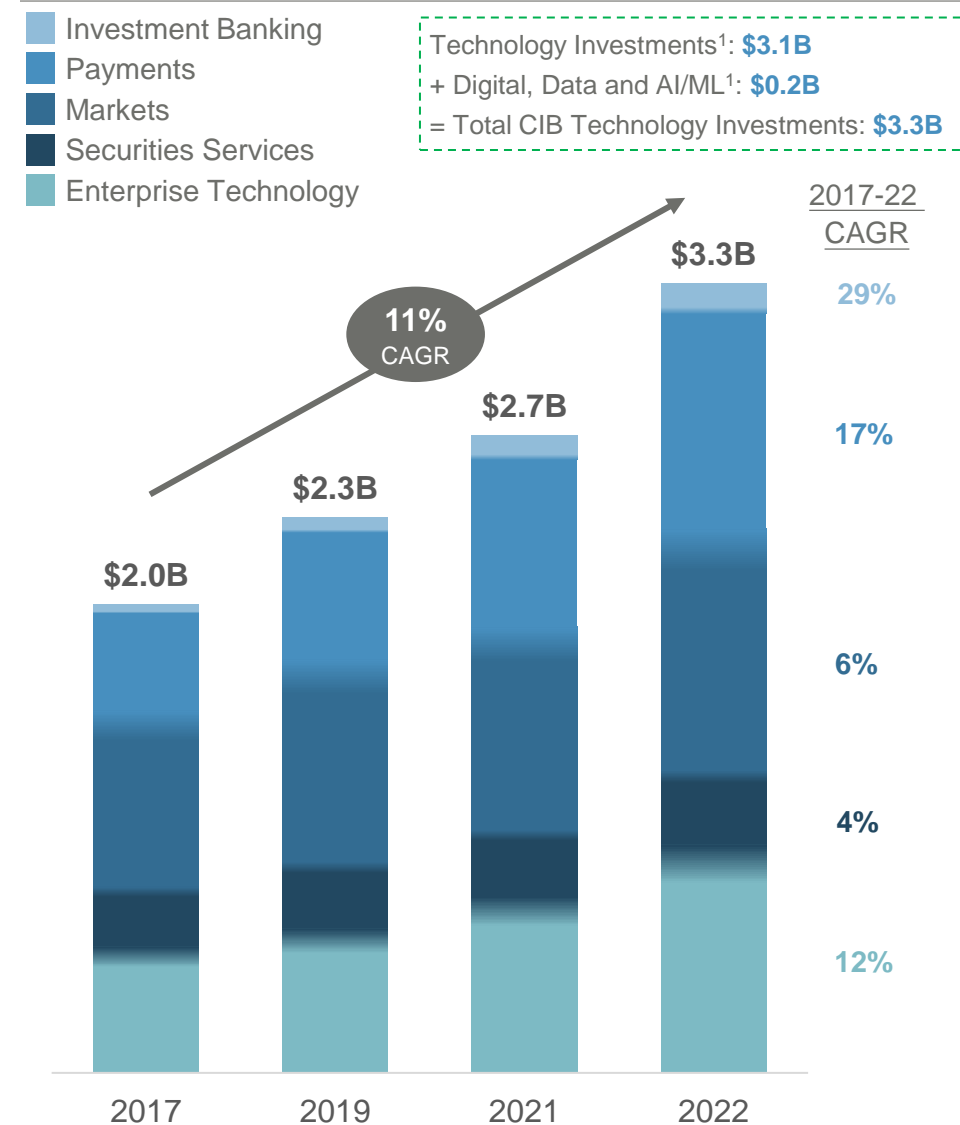
Adjusted Expense<sup>1</sup> (2019 – 2022 Market Dependent, \$B)



<sup>1</sup> Adjusted Expense is a non-GAAP financial measure. Refer to page 44 for a reconciliation of reported results to these non-GAAP financial measures.  
<sup>2</sup> Digital, Data and AI/ML represents dedicated product resources. CIB and Enterprise Technology incorporates additional Digital, Data and AI/ML spend of \$0.3B.

# Our technology and product investments are opening up new growth opportunities and strengthening our leadership position

## We continue to increase our technology and product investment spend...



## ...to drive business growth, advance strategic platforms and invest in AI/ML (select examples)



**Drive business growth** with a focus on delivering best-in-class products and experiences to clients

- **China franchise expansion** to provide onshore business capabilities to clients
- **Fusion data platform** to provide integrated solutions across the investment lifecycle
- **eTrading platform** to support clients with the ongoing growth of electronic execution
- **E-commerce capabilities** (Wallet, Express Checkout, Embedded Banking) to focus on Marketplaces and SMB
- **Capital Connect** platform to connect clients, founders and investors for private equity placements



**Advance strategic platforms** to deliver the Firm to our clients and to support our business priorities

- **Athena** to provide cross-asset risk, pricing and trade management solutions to clients
- **Client portals** including J.P. Morgan Markets and Access to provide seamless cash management, research, execution and pricing solutions
- **Real-time and faster payment** capabilities deployed to clients globally by Graphite
- **Helix**, our API-based Merchant Acquiring platform to focus on unified APIs and cloud enablement
- **GLASS platform** to provide liquidity and account services such as wallet, virtual accounts, sweeps and pooling



**Invest in AI/ML and Next Gen Technology** to ensure we remain competitive

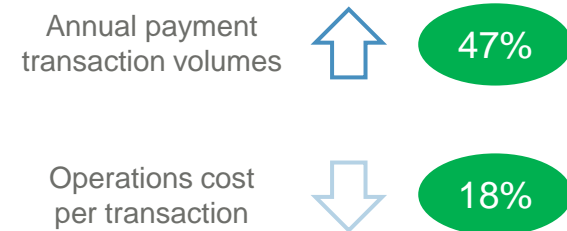
- **Onyx** by J.P. Morgan, our blockchain business unit, building innovative platforms like Liink, JPM Coin and Onyx Digital Assets
- **Real-time client facing analytics** across Corporate and Small Business clients
- **Flow Trader** utilizing AI to deliver faster quotes to clients
- **Leveraging AI/ML** to improve our operational processes across KYC, reconciliation, fraud and settlement

<sup>1</sup> Digital, Data and AI/ML represents dedicated product resources. CIB and Enterprise Technology incorporates additional Digital, Data and AI/ML spend of \$0.3B.

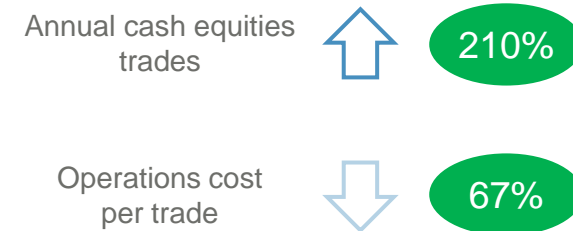
# We have supported significant volume growth with modest increases to operational expense

## We have driven efficiency at scale<sup>1</sup>...

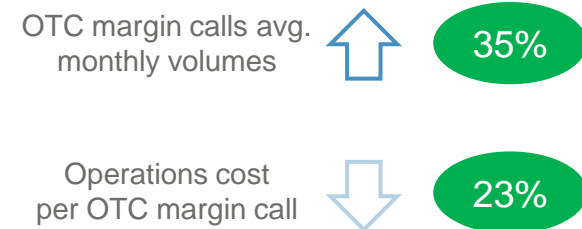
### Cash Payments



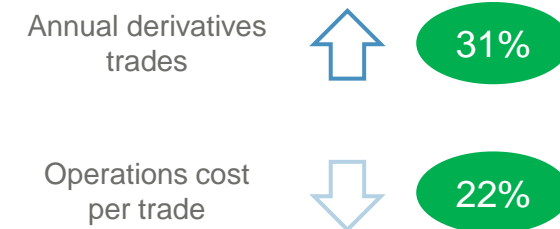
### Cash Equities



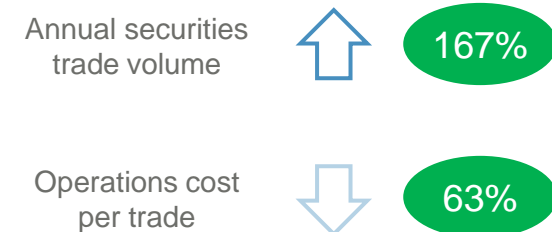
### Collateral



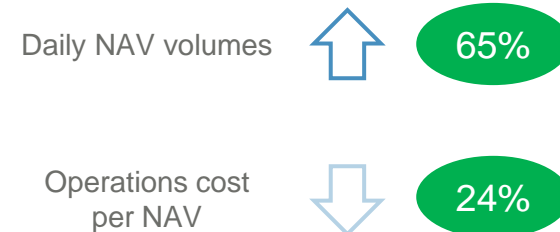
### EM & Rates Derivatives



### Securities Processing

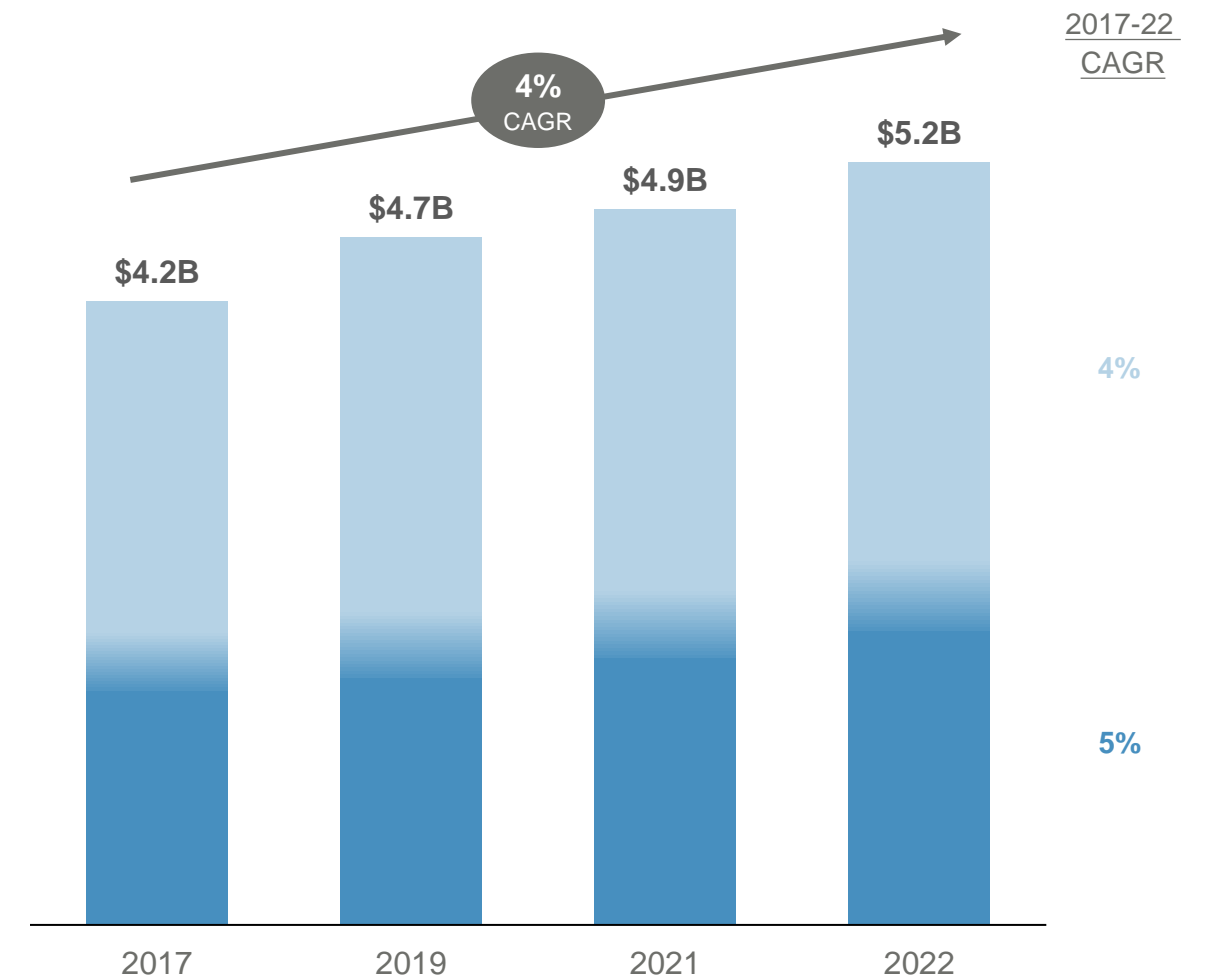


### Fund Services



## ...while controlling our costs

■ Technology Run The Bank expense<sup>2</sup>  
■ Operations direct expense

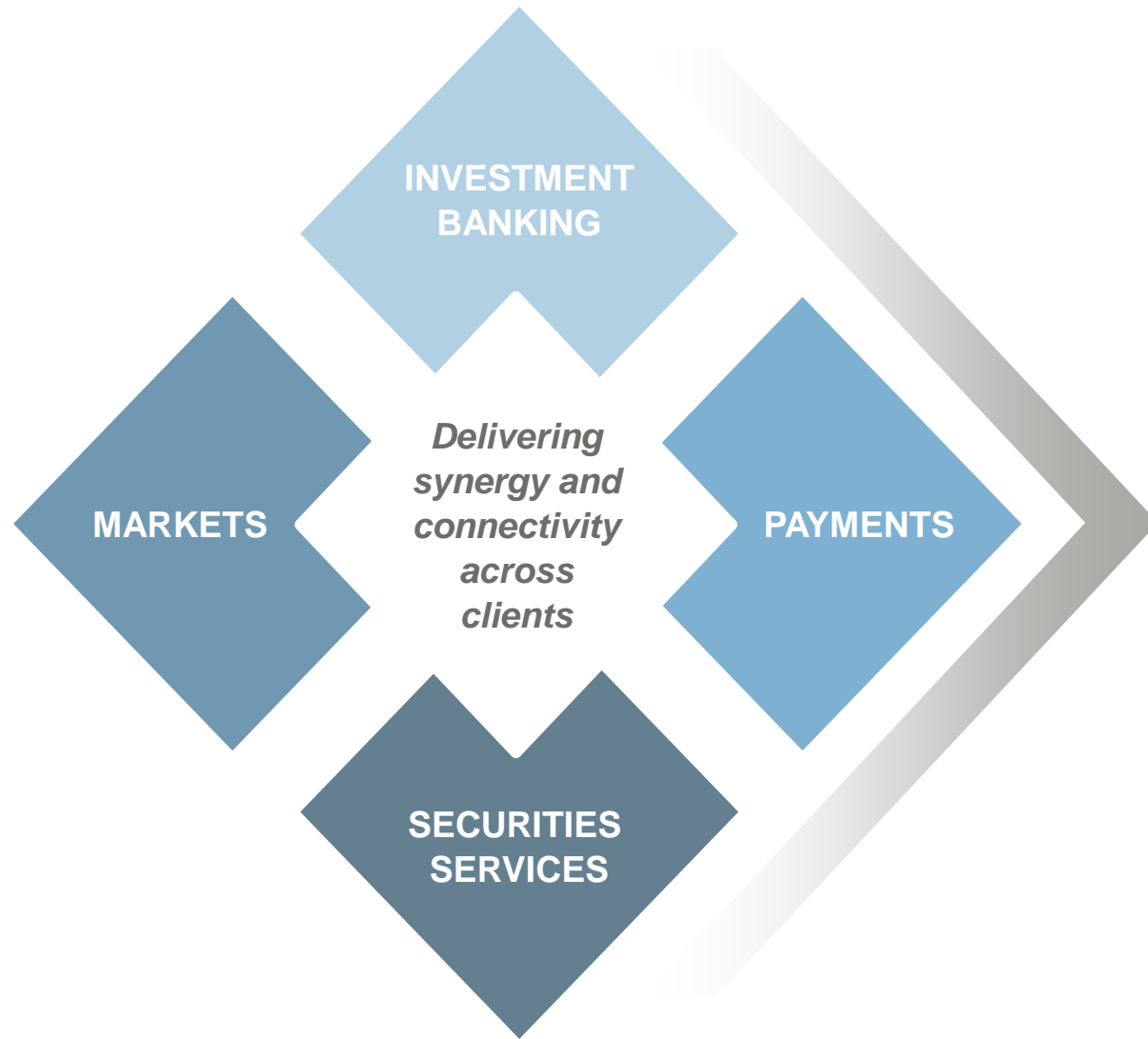


<sup>1</sup> All percentages reflect 2017-21 absolute percentage change. Operations cost reflects the fully loaded cost of operations teams directly supporting the product and does not represent a full measure of unit cost.

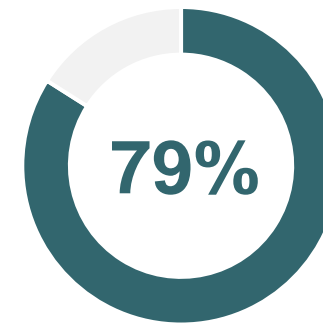
<sup>2</sup> Includes Enterprise Technology and Digital, Data and AI/ML.



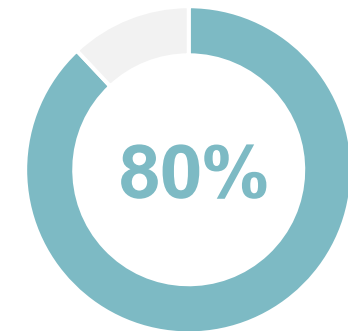
# Together our businesses enable us to bring a holistic set of solutions to our clients



## CIB clients served by **3+ CIB businesses** (out of 4)<sup>1</sup>



**Top 200 Financial Institution clients**



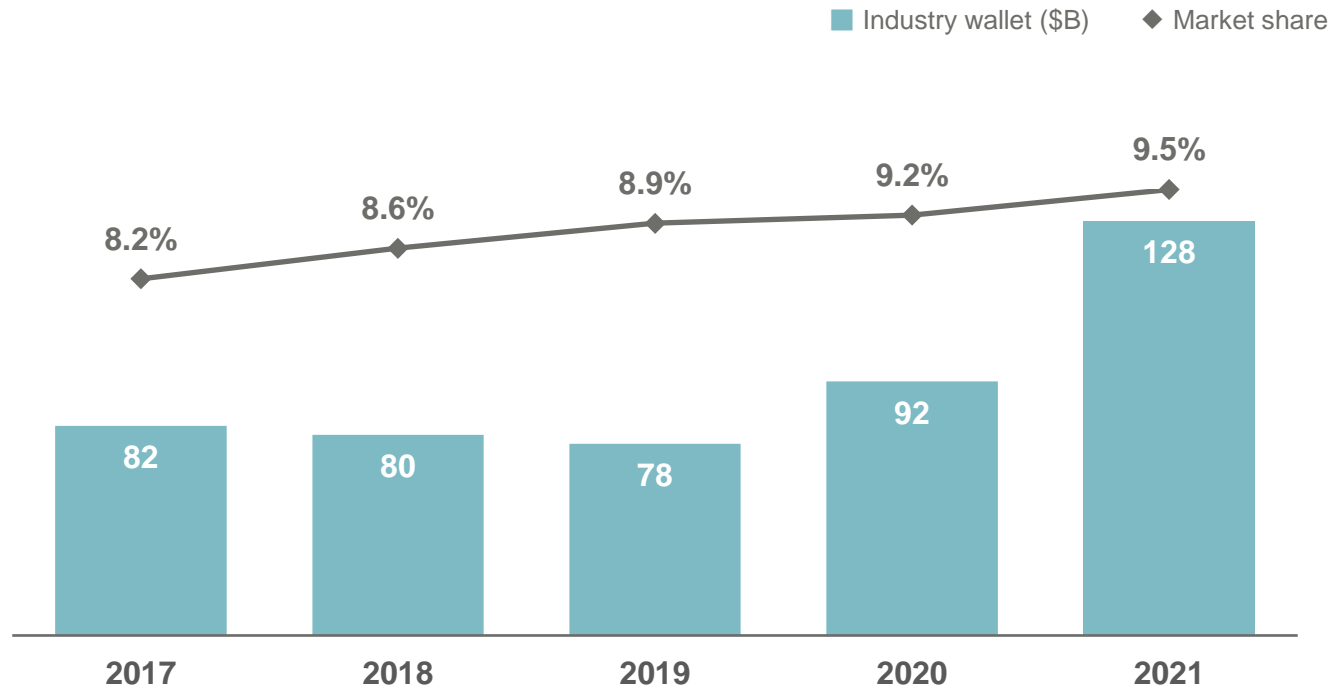
**Top 200 Corporate clients**

- ◆ Capital Markets and M&A Advisory
- ◆ Financing Solutions
- ◆ Asset & Liability Management
- ◆ Research
- ◆ Trading Execution and Risk Management
- ◆ Trade Finance
- ◆ Merchant Acquiring
- ◆ Payments and Liquidity Solutions
- ◆ Investment Advisory
- ◆ Custody, Fund Services and Middle Office

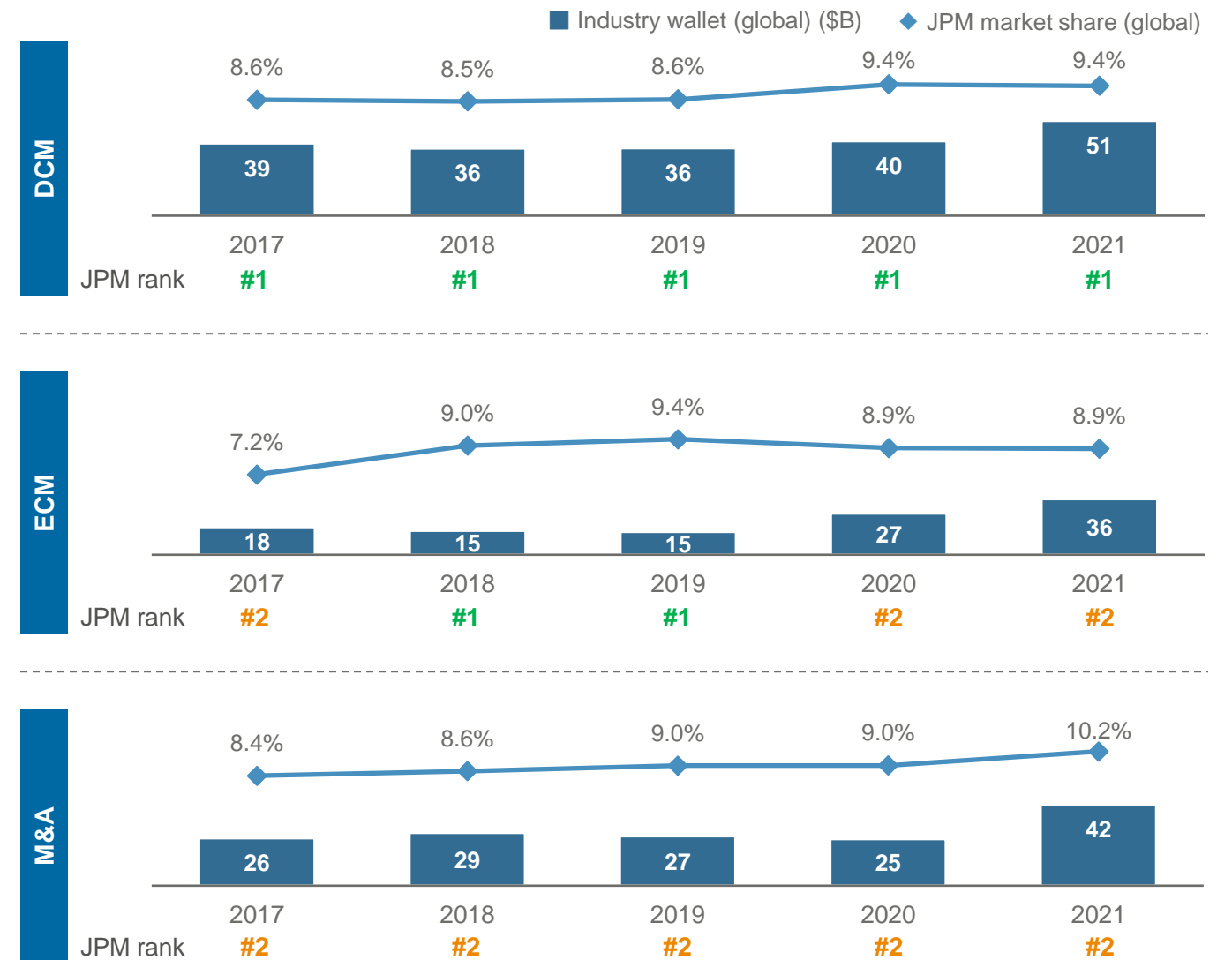
<sup>1</sup> Represents CIB clients that attributed minimum \$1,000 revenue to CIB businesses (Investment Banking, Payments, Markets, Securities Services) during the last 24 months as of March 2022.

# Global Investment Banking achieved record fees in 2021, and delivered market share of 9.5%

## Ranked #1 by Investment Banking fees for over a decade



## Continued strong leadership position

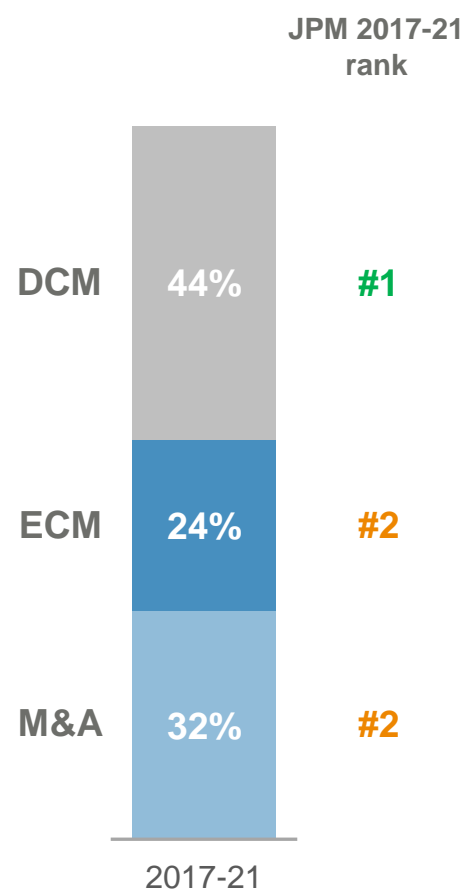


Source: Dealogic. For footnoted information, refer to page 45.

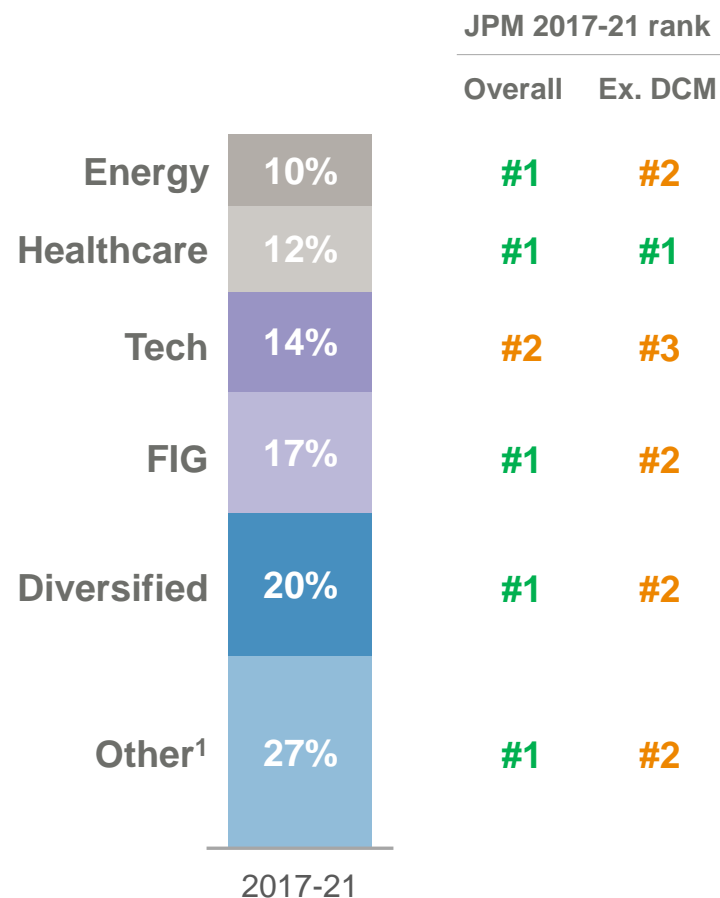
We are focused on closing product and coverage gaps, and capturing new growth opportunities to gain market share

Consistently targeting top positions across all products and sectors

Wallet mix by product



Wallet mix by sector



Focusing on four key strategic pillars



Middle Market

- Deepen/broaden industry and regional specialization
- Extend coverage with Middle Market financial sponsors in collaboration with Commercial Bank



Private Capital

- Launch and scale Capital Connect by J.P. Morgan, a digital platform connecting early-stage companies and investors for smaller deals
- Continue to invest in high touch servicing of larger deals
- Collaborate with Commercial Bank and Asset & Wealth Management



APAC

- Deepen coverage of New Economy and Healthcare companies
- Deepen coverage expertise in Australia, China, India, and Japan



ESG

- Deepen advisory expertise
- Build on centers of excellence (Center for Carbon Transition and ESG Solutions)

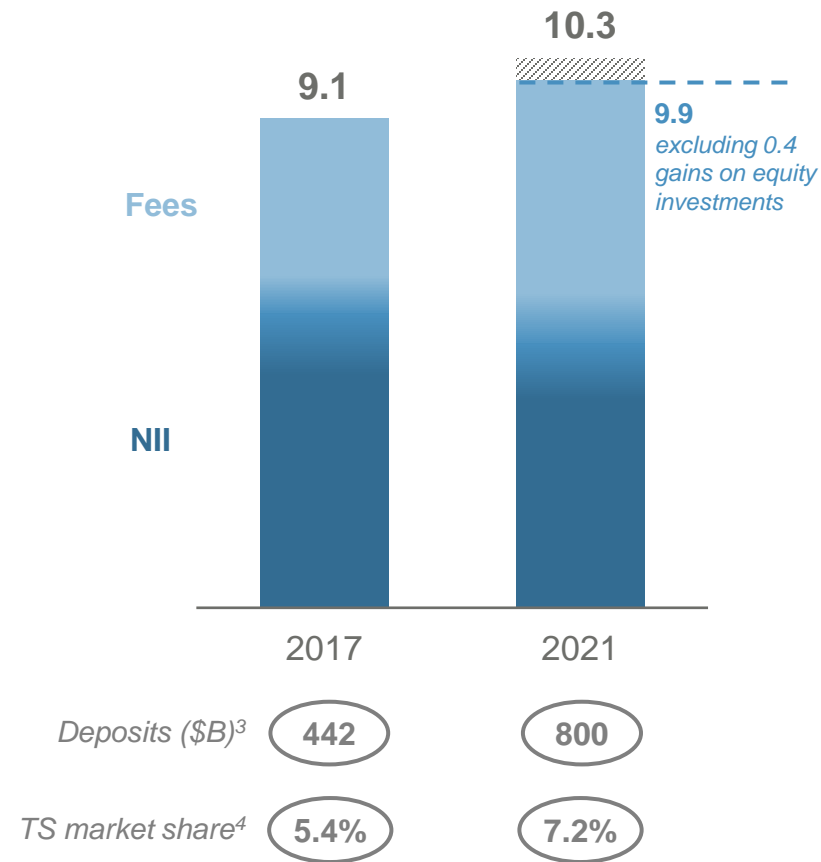
Leverage depth of Firmwide relationships for continued growth, with a focus on closing wallet gaps and capturing opportunities in Middle Market, Private Capital, International Markets, ESG

Source: Dealogic. For footnoted information, refer to page 45.

<sup>1</sup> Includes Consumer & Retail, Real Estate IB, Media & Communications, Venture Capital, Financial Sponsors, Middle Market, Sovereign Wealth Fund, Public Finance.

# Our Payments business has grown significantly despite rate headwinds

## Revenue (\$B)<sup>1,2</sup>



## Focus areas for deep-dive discussions

- ✓ World's **largest payments franchise**, occupying a **unique place** in the payments industry
- ✓ Targeting **double-digit revenue and pre-tax income growth** supported by **market share gains, higher rates and substantial operating leverage**
- ✓ **Treasury Services and Merchant Services** businesses together **generate significant client and product synergies**
- ✓ **Significant investments** focused on delivering scalability, efficiency, and differentiated product offerings

**Leverage existing trust with our clients; grow share across our client segments (Financial Institutions, Corporates, E-commerce, SMB) with innovative technology solutions**

<sup>1</sup> 2017 revenue adjusted down by \$0.1B for MS accounting re-class. Includes CB and CCB, excludes Credit Portfolio Group.

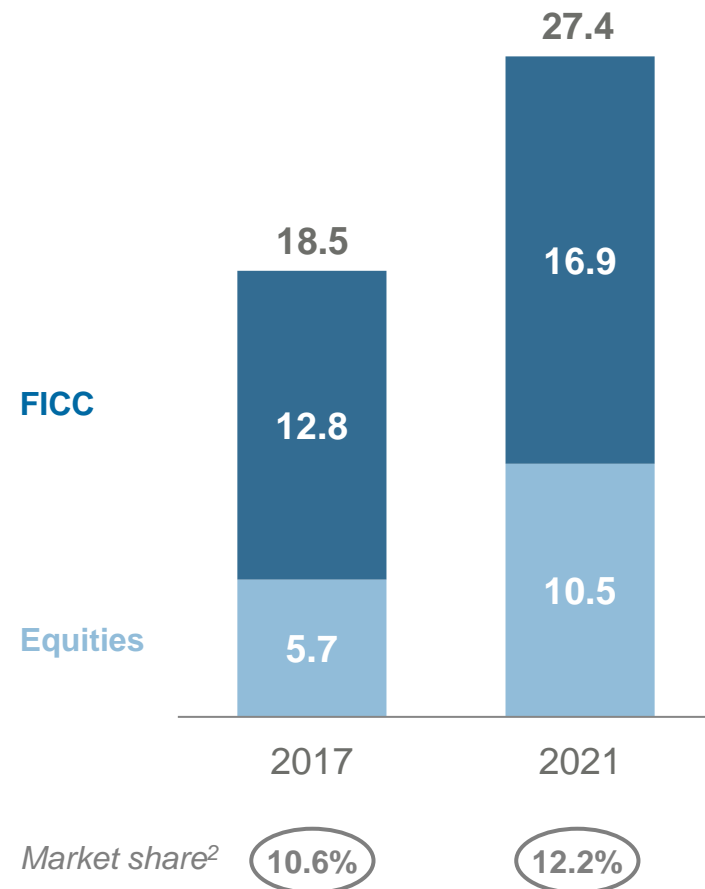
<sup>2</sup> 2021 revenue includes CB and CCB, excludes Credit Portfolio Group.

<sup>3</sup> Includes average liquidity deposits for CIB and CB only.

<sup>4</sup> Source: Coalition Greenwich Competitor Analytics. Reflects Global Firmwide Treasury Services business (CIB and CB). For footnoted information, refer to page 45.

# We have maintained our position as the leading Markets franchise

## Revenue (\$B)<sup>1</sup>



## Focus areas for deep-dive discussions

- ✓ Continue to strengthen our industry leadership by **deepening relationship** with clients
- ✓ **Uniquely positioned to capture secular growth** of large institutional clients, and across private alternatives
- ✓ **Agile management of capital** to pursue opportunities and maintain profitability
- ✓ Compete in **newer market structures** and **preserve leadership in electronic trading**
- ✓ Track record of being **disciplined with expense**

**Strengthen market leadership by growing share across our client franchise through technology innovation, capital and expense discipline**

<sup>1</sup> Revenue on externally reported basis (excluding credit adjustment and other).  
<sup>2</sup> Source: Coalition Greenwich Competitor Analytics. For footnoted information, refer to page 45.

# Securities Services has achieved both record revenue and assets under custody

## Our Clients



**Asset Managers**



**Asset Owners**

**100% of our top 200 clients overlap with at least one other CIB business**

## Our Business

### Custody & Fund Services

- Custody
- Fund Services
- Alternatives
- Middle Office
- ETFs

### Trading Services

- Cash, FX & Liquidity Mgmt.
- Agency Securities Finance
- Collateral Management
- Depository Receipts

### Data Solutions

- Data Management
- Performance, Risk & Analytics

## By the Numbers

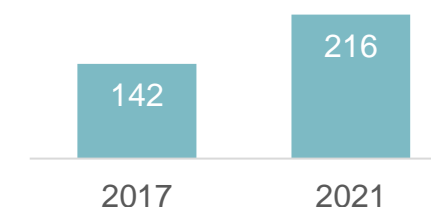
### AUC (\$T)

↑ 42%



### DEPOSITS (\$B)<sup>1</sup>

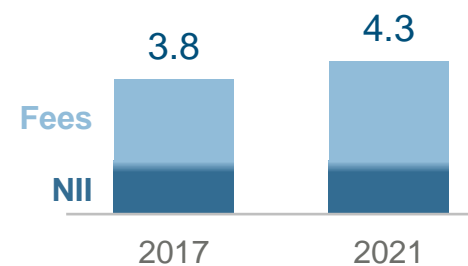
↑ 52%



### REVENUE (\$B)<sup>2</sup>

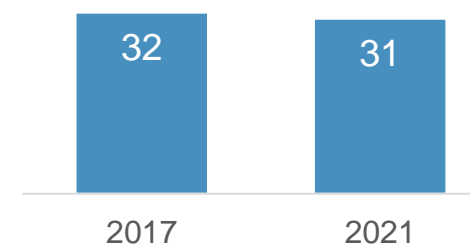
↑ 13%

↑ 24% fee revenue



### OPERATING MARGIN (%)<sup>3</sup>

↓ (1pp)



Market Share<sup>4</sup> (9.8%) (10.3%)

<sup>1</sup> Represents average deposits in 2021 as compared to average deposits in 2017.

<sup>2</sup> 2017 revenue adjusted by \$(0.1)B to exclude the impact of past business simplification, exit actions and accounting changes.

<sup>3</sup> Operating margin excludes credit reserves of \$(5)mm and \$(67)mm for 2017 and 2021, respectively.

<sup>4</sup> Source: Coalition Greenwich Competitor Analytics. For footnoted information, refer to page 45.

# We have a strategy to deliver growth for our business and clients, now and in the future



## Scale & Efficiency

*Optimizing and streamlining technology and operating models*



**Modern technology architecture** and globally **consistent operating models**



### Record volume and activity

- Daily NAV deliveries up 65% to >25k (since 2017)
- Derivatives positions up ~50%



Consistently **strong operating margin** (30%+)



## Comprehensive Client Solutions

*Delivering products and services to meet client needs and close gaps*

### ETFs

**Full ETF servicing capabilities** driving new mandates and growth, doubling assets since 2017

### Alternatives

**Enhanced capabilities across Alternative and Private assets; doubled AUA** while reducing operating expense

### Middle Office

**Scalable next generation platform** leveraging Markets capabilities



## Investing for the Future

*Addressing client needs across the investment lifecycle*

### Digital Assets

**Developing innovative digital asset solutions** to support evolving client needs including full crypto record keeping services and collateral tokenization capabilities

### Data Solutions

**Launched Fusion**, a cloud-native platform enabling clients to **seamlessly access internal and third-party data**

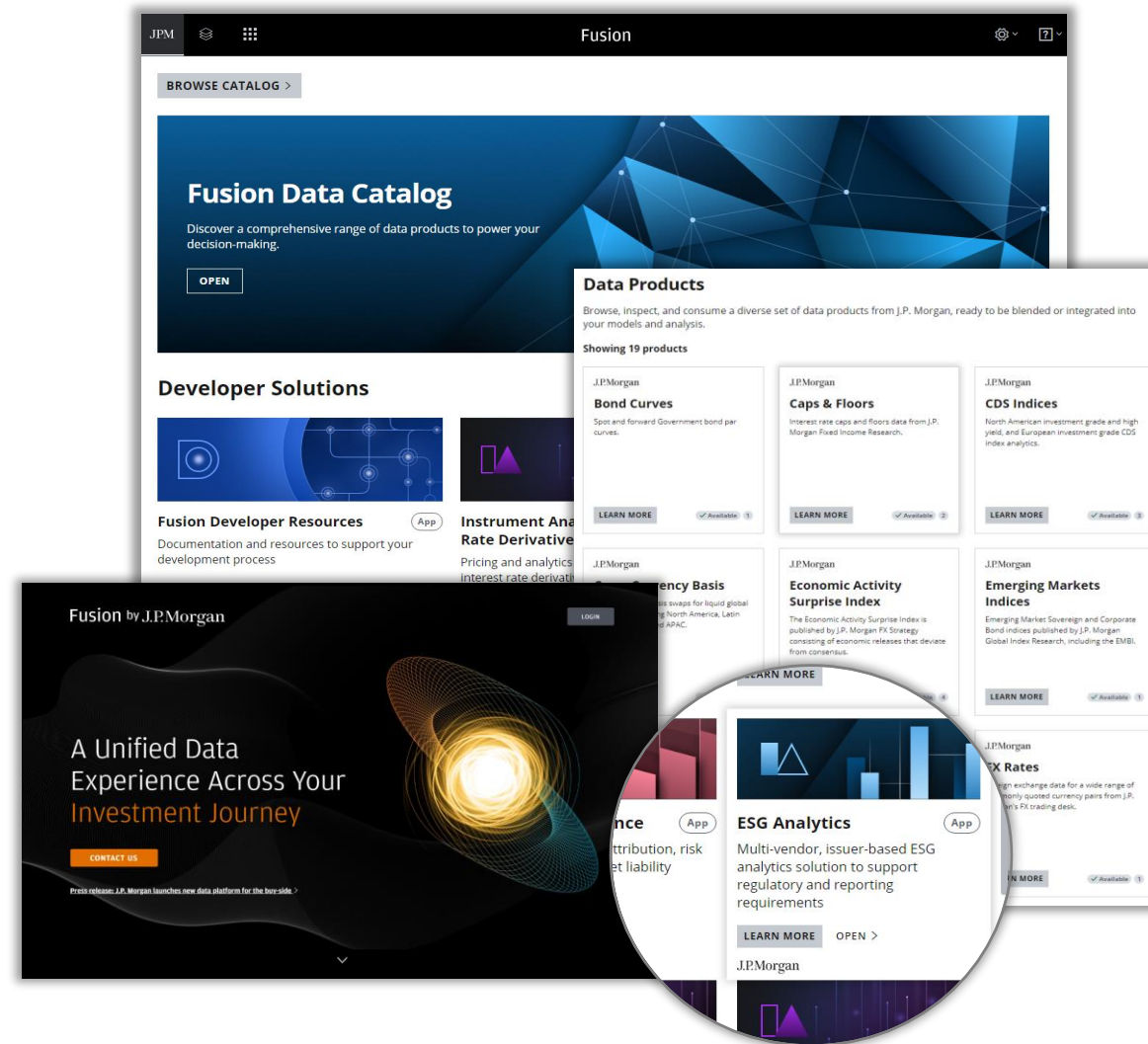
Providing integrated solutions through a **modern data catalogue and APIs**

**Deliver scale and efficiency across our core asset servicing business; invest in middle office, ETFs, alternatives, and data solutions to capture growth**

# Fusion: A unified data experience across our clients' investment journey

## Fusion by J.P.Morgan

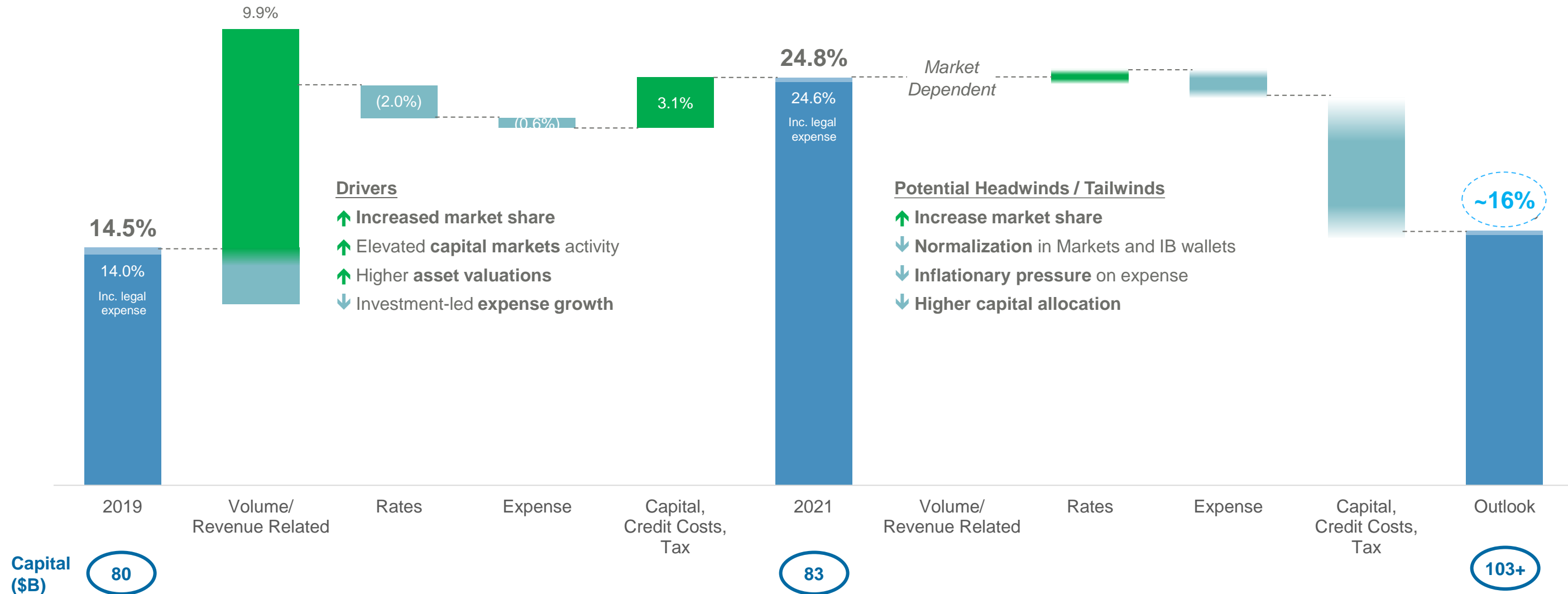
Fusion provides **data management, reporting** and **analytics solutions** across the investment lifecycle, **enabling institutional clients to generate investment and operational alpha**





# We maintain 16% ROE outlook with approximately 25% more capital

## Adjusted ROE (2019 – Outlook)<sup>1</sup>



<sup>1</sup> Adjusted ROE is a non-GAAP financial measure. Refer to page 44 for a reconciliation of reported results to these non-GAAP financial measures.

## Topics for discussion

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①

### CIB Overview

- Financial overview
- Positioning for growth

②

### Markets

- Industry-leading global franchise
- Client-centricity driving our leadership position
- Scale and competitiveness in electronic markets

③

### Payments

- Overview and unique value proposition
- Strong financial performance
- Strategic focus areas to drive growth

④

### Closing Remarks

# We continue to grow by being complete and delivering client excellence

## We remain the leading global Markets franchise...



## ... with sustained growth

**\$27.4B**

Revenue  
↑ 48% vs FY17

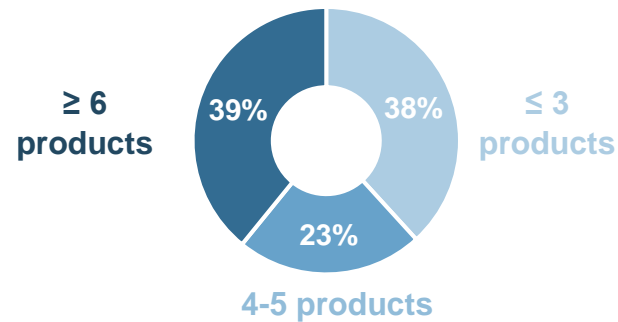
**12.2%**

Market Share  
↑ 160bps vs FY17

## ...and continued client excellence

### Multi-asset counterparty

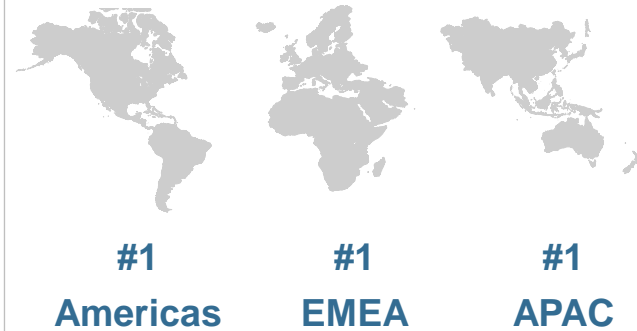
Client distribution by # of products traded<sup>1</sup>



*Products: Cash Equities, Equity Derivatives, FX, Commodities, Credit, Rates, Structured Products, etc.*

### Global expertise

Leading market share across regions



### Omnichannel connectivity

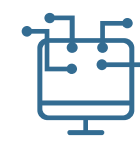
Revenue CAGR (2017-2021)

8%



Voice

11%



Electronic

### End-to-end service provider

Pre-Trade



Trade



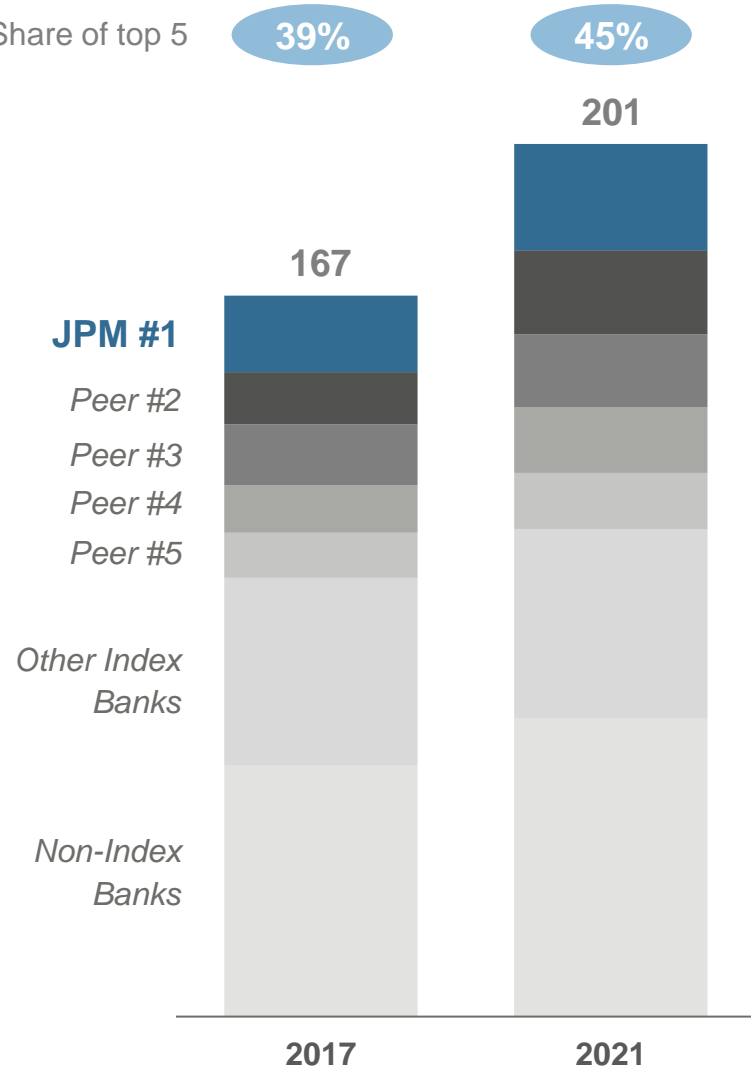
Post-Trade

# Our #1 position today is stronger than ever, as we captured opportunities and closed gaps

## We remain the market leader...

Industry Wallet<sup>1</sup> (\$B)

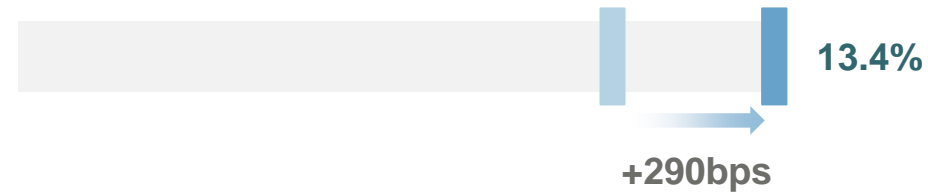
Share of top 5



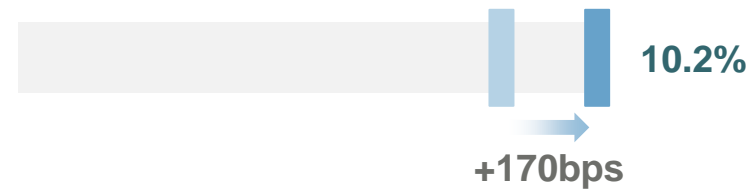
## ... by improving product and client market share...

Share of Wallet 2017 2021

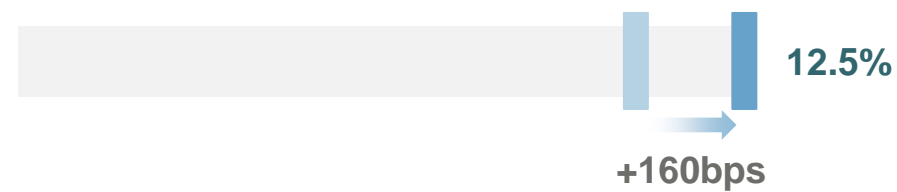
### Institutional Clients<sup>2</sup>



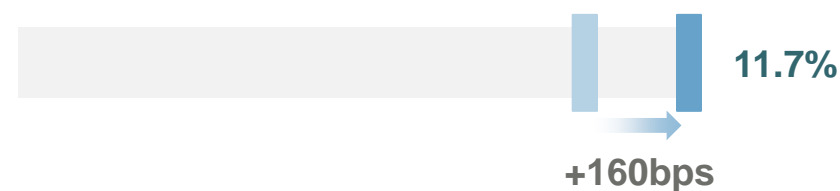
### Corporate Clients<sup>3</sup>



### FICC<sup>1</sup>



### Equities<sup>1</sup>

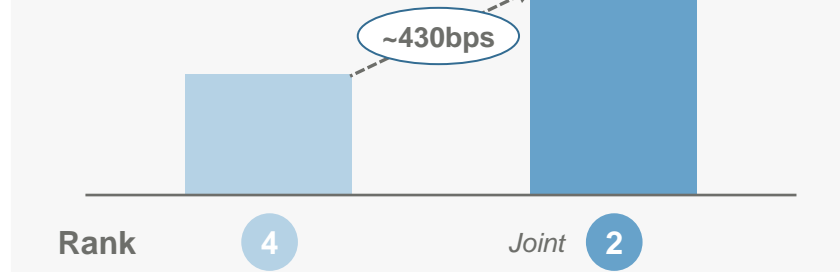


## ... and closing gaps in key focus areas

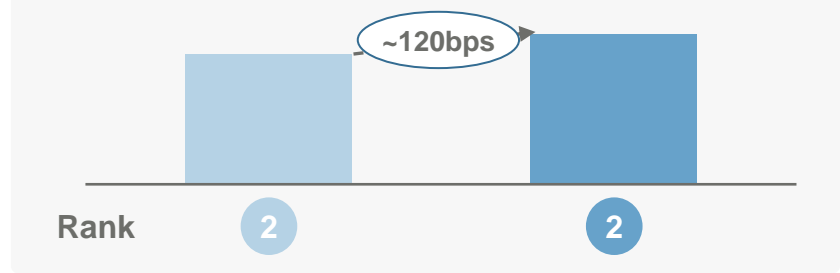
Share of Wallet 2017 2021

NOT TO SCALE

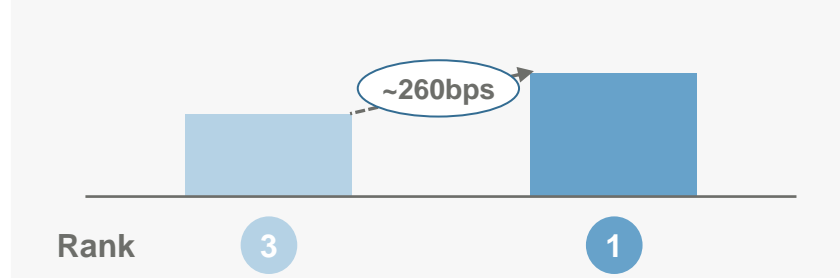
### Cash Equities<sup>1</sup>



### Corporate FX<sup>3</sup>



### APAC<sup>1</sup>



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Source: Coalition Greenwich Competitor Analytics. Indicates product rank and share across all clients. For footnoted information, refer to page 45.

<sup>1</sup> Industry Global Markets Product Pool, FICC and Equities share of total industry product pool.

<sup>2</sup> Source: Coalition Greenwich Institutional Client Analytics. Share of Institutional clients calculated as the wallet of 1,414 clients in 2017 and 1,738 clients in 2021.

<sup>3</sup> Source: Coalition Greenwich Corporate Client Analytics. Share of Corporate clients is calculated as the wallet of 2,000 clients in 2017 and 1H21 across FICC products.

# There is further growth from deepening client relationships and capturing secular trends

We are investing to continue deepening relationships across our client base...



## Advanced data and analytics

to provide clients the right content and pricing, to increase mindshare with trading flow



## Innovative solutions

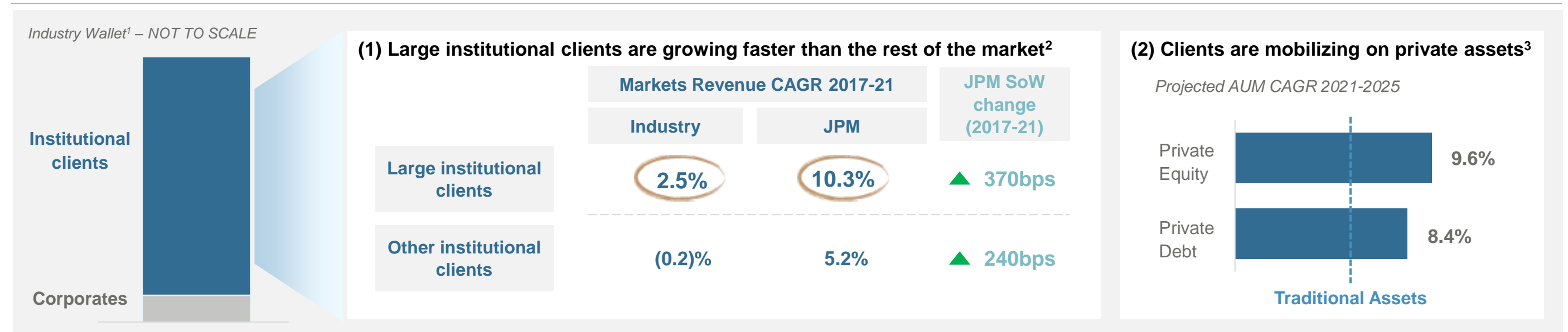
to meet clients' emerging needs and remain competitive as the industry evolves



## Client-facing technology

to become further embedded with clients through workflow integration

... and are uniquely positioned to capture secular trends



Source: Coalition Greenwich Analytics.

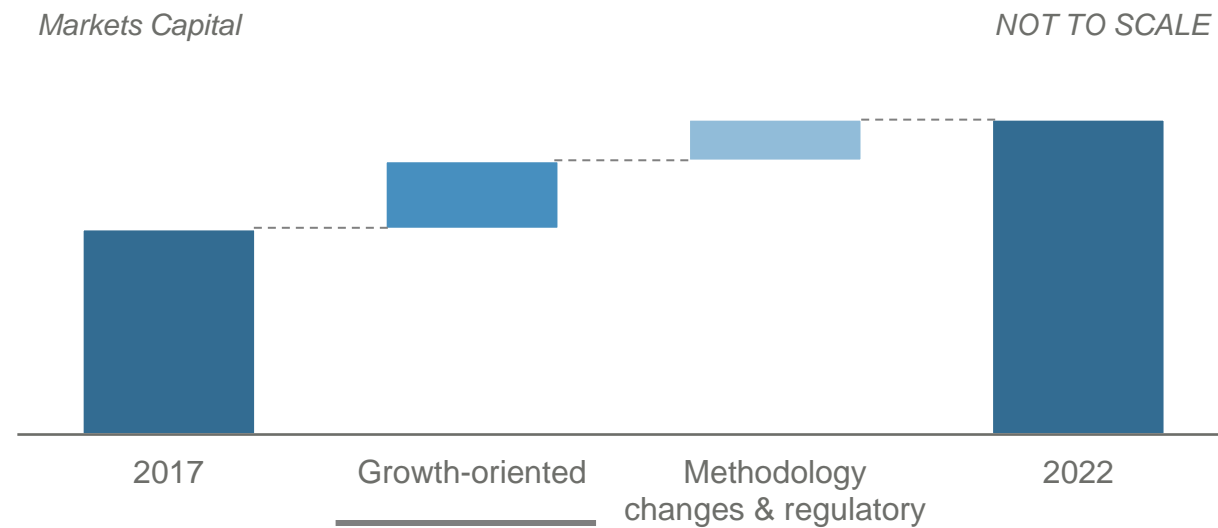
<sup>1</sup> Industry wallet as of 2021: Calculated off 1,738 institutional clients in 2021 and 2,000 corporate clients as of 1H21 across FICC products (Annualized).

<sup>2</sup> Source: Coalition Greenwich Institutional Client Analytics. "Large Institutional Clients" is a JPM-only categorization defined based on share of wallet, product, penetration and revenue metrics; Wallet is based on 1,414 clients in 2017 and 1,738 clients in 2021.

<sup>3</sup> Traditional assets includes Actives (ex-Alts), Passives and Money Market Funds.

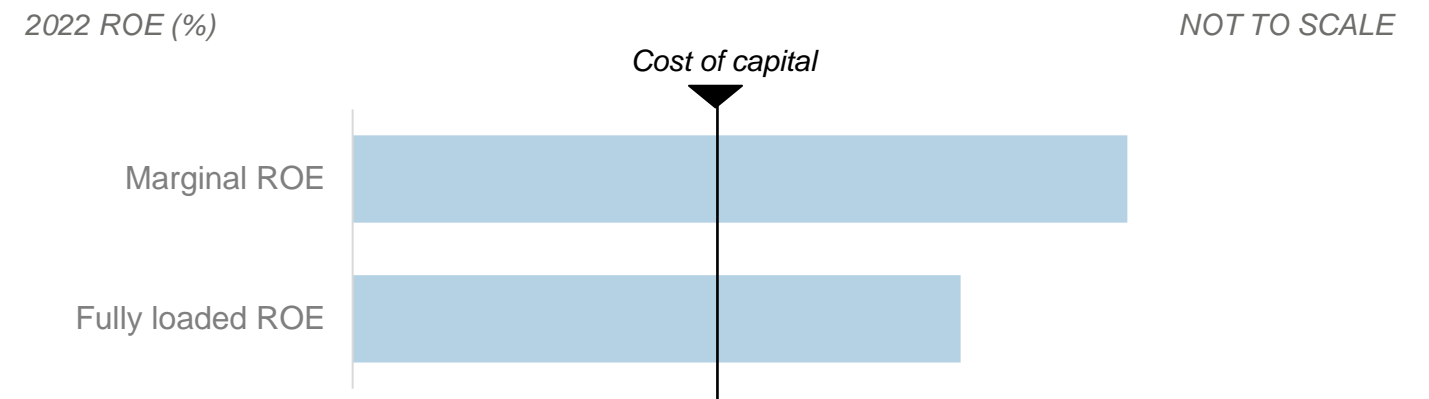
# We continuously optimize our capital footprint to deliver growth and strong returns

## Even with a higher capital base...



- **Disciplined deployment of capital across clients and across products**
- **Dynamic allocation to capture opportunities**
- From 2017 to 2021, a few examples of where we allocated growth capital:
  - 1) SPG – Loan origination, financing
  - 2) Commodities – Physical gas, renewables
  - 3) Equities – Prime balances to close gaps

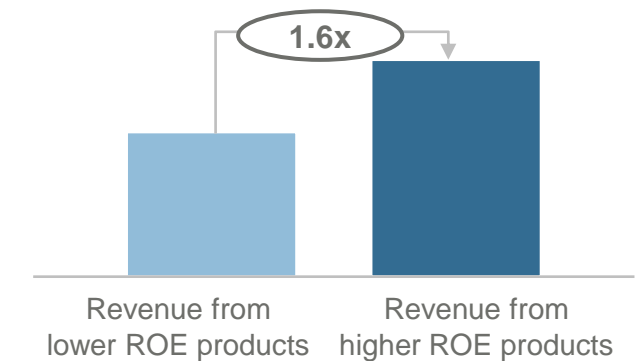
## ...we expect to earn above our cost of capital



## We are complete across products, and clients reward us for it

We provide lower ROE products in response to client demand...

...and are rewarded with business in higher ROE products<sup>2</sup>



Source: Coalition Greenwich Analytics.

<sup>1</sup> Source: Coalition Greenwich Institutional Client Analytics. Share of institutional clients calculated as the wallet of 1,414 clients in 2017 and 1,738 clients in 2021.

<sup>2</sup> Revenue multiplier represents average from 2017 to 2021.

# We are investing to lead in newer market structures and electronic protocols

## Foundational capabilities to enhance competitiveness



### Infrastructure Scalability

- ✓ Process more volumes with stability
- ✓ Improved latency, speed and elasticity
- ✓ Cost efficiencies from shared platforms



### Workflow Automation

- ✓ Improve algos with structured datasets
- ✓ Extend reach and facilitate STP
- ✓ Central risk management & internalization



### Organization Agility

- ✓ Data-driven decisioning
- ✓ Lower time-to-market for algorithms
- ✓ Interdisciplinary & flat desk structure

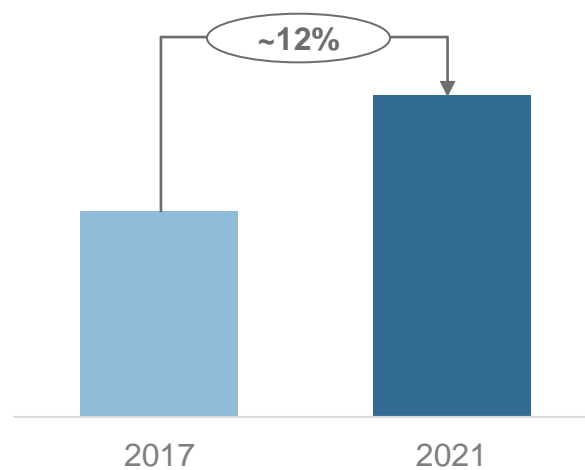


### Market Structure

- ✓ Participation on third-party venues
- ✓ Standard APIs for direct connectivity
- ✓ Investments & partnerships

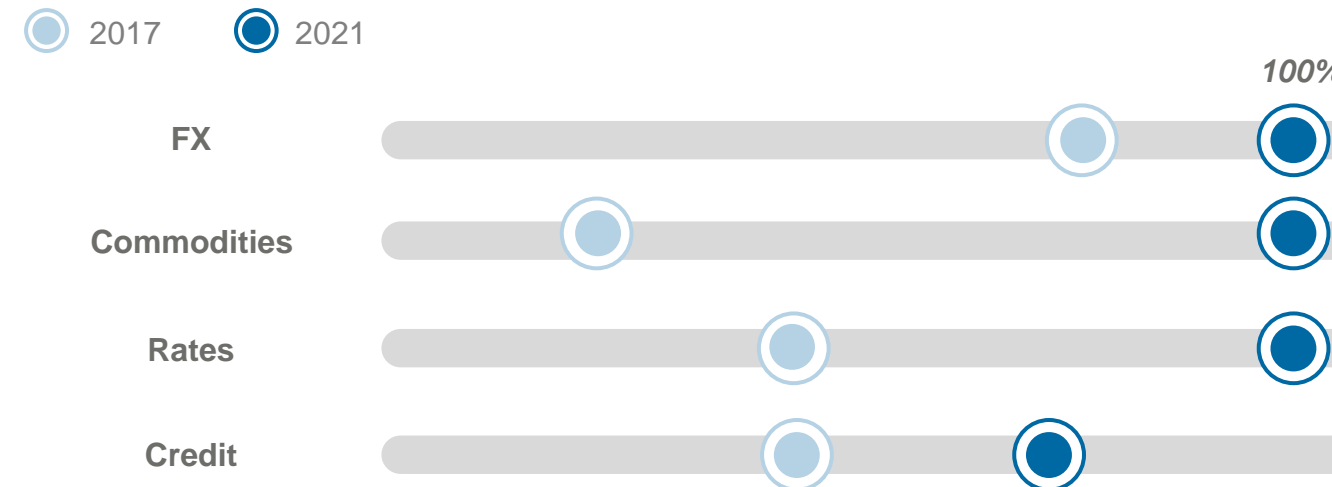
## Cash Equities Revenue

Low touch trading revenue CAGR



## FICC Platform Rankings

Top 3 rankings as a % of total rankings on leading venues<sup>1</sup>



## Credit e-Trading Approach

Integrated systematic trading strategies



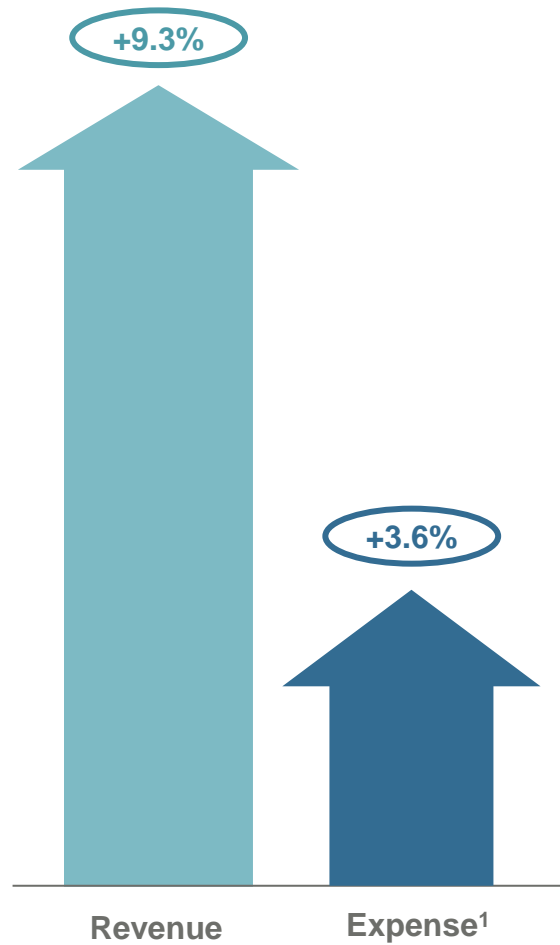
Source: Coalition Greenwich Competitor Analytics. For footnoted information, refer to page 45.

<sup>1</sup> References select products that JPM offers liquidity in; FX & Commodities rankings are the average of monthly ranks provided by platforms; Rates & Credit rankings are the annual rankings provided by the platforms.

# We have a track-record of being disciplined with expenses

## Historical revenue & expense CAGR

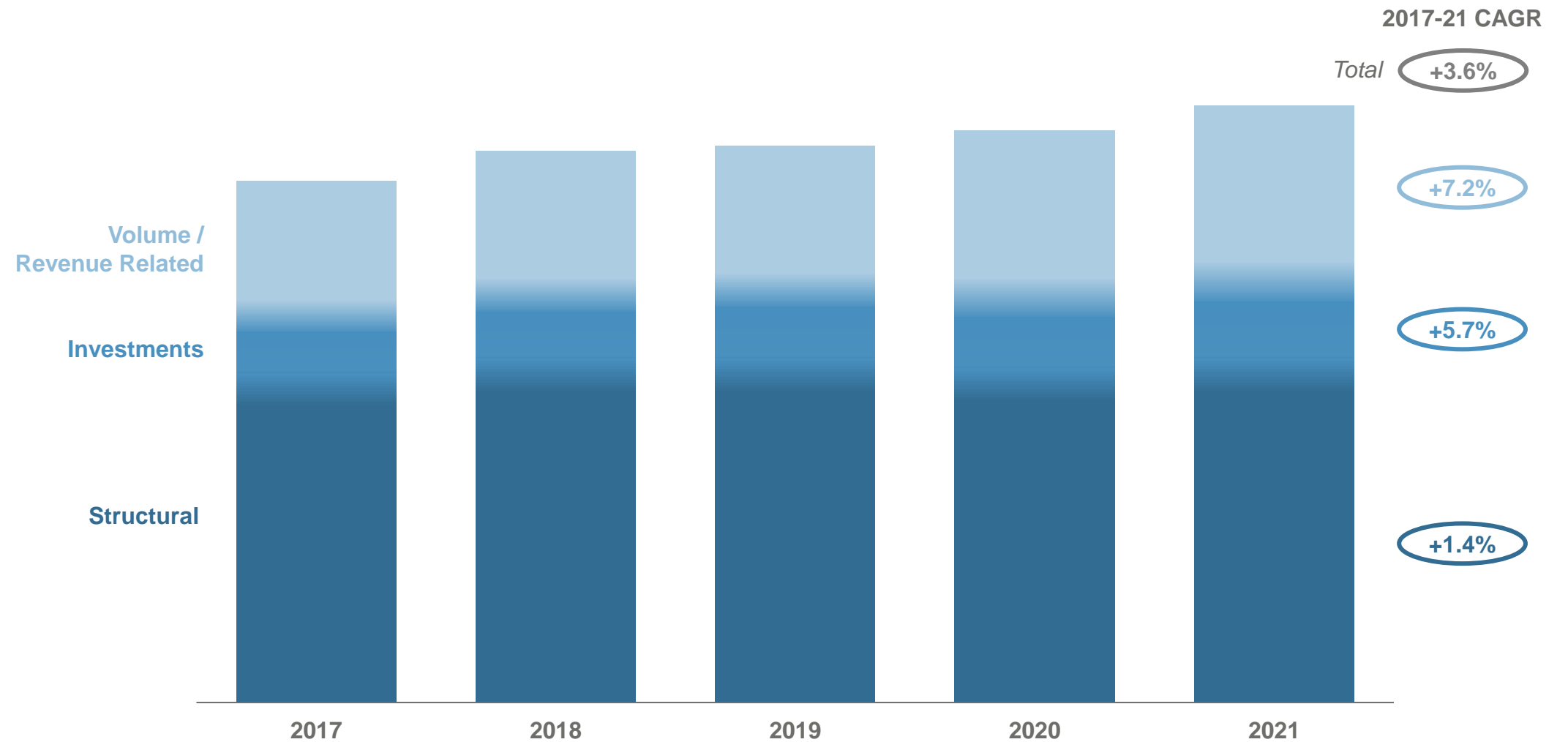
2017-21 CAGR (ex. Income neutral)



## Expense breakdown<sup>1</sup>

Total Expense (ex. Income neutral)

NOT TO SCALE



<sup>1</sup> Expense reflects fully loaded excluding legal and income neutral.



## Our strategy sets us up for continued success

---

**1** Deepen relationships across client base

**2** Capture secular growth with large institutional clients and in private alternative assets

**3** Dynamically deploy capital to optimize returns

**4** Innovate and lead, as market structure evolves and electronification continues

**5** Manage expenses with discipline

## Topics for discussion

---

①

### CIB Overview

- Financial overview
- Positioning for growth

②

### Markets

- Industry-leading global franchise
- Client-centricity driving our leadership position
- Scale and competitiveness in electronic markets

③

### Payments

- Overview and unique value proposition
- Strong financial performance
- Strategic focus areas to drive growth

④

### Closing Remarks

# J.P. Morgan Payments overview

## Key 2021 firm-wide metrics

**\$9.9B**

Revenue<sup>1</sup>

**~50/50**

NII / NIR split

**29k**

Clients (excl. SMB<sup>2</sup>)

**\$800B**

Average deposits

**\$3.4B**

PTI<sup>1</sup>

### Client segments



**Corporates**  
(50% of revenue)



**Financial Institutions**  
(35% of revenue)



**E-commerce / Marketplaces**  
(11% of revenue)



**SMB Merchant Services**  
(4% of revenue)

### Business segments



**Treasury Services (TS)**  
(84% of revenue)



**Merchant Services (MS)**  
(12% of revenue)



**Trade**  
(4% of revenue)

### LOBs



**Corporate & Investment Bank**  
(60% of revenue)

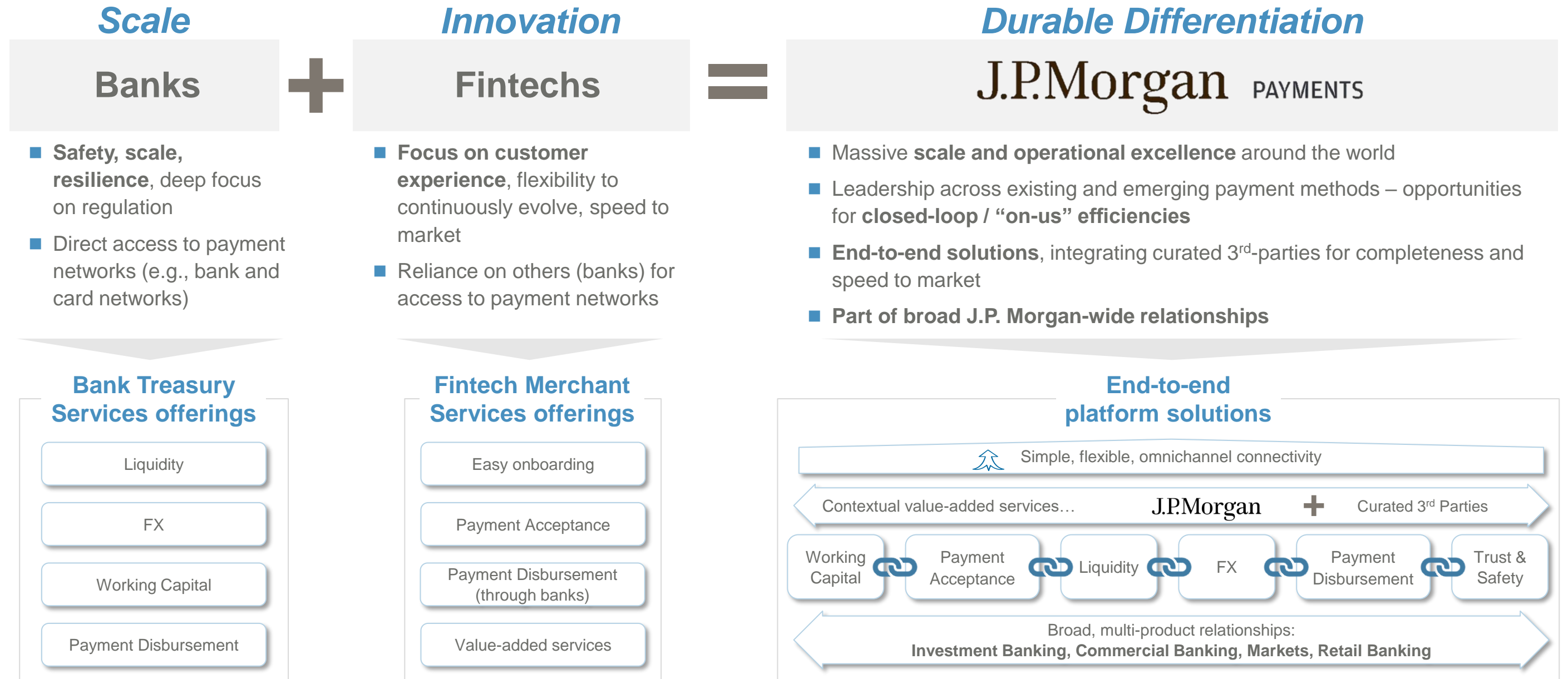


**Commercial Banking and  
Consumer & Community Banking**  
(40% of revenue)

<sup>1</sup> 2021 revenue and PTI includes CB and CCB and excludes gains on equity investments of \$0.4B and Credit Portfolio Group.

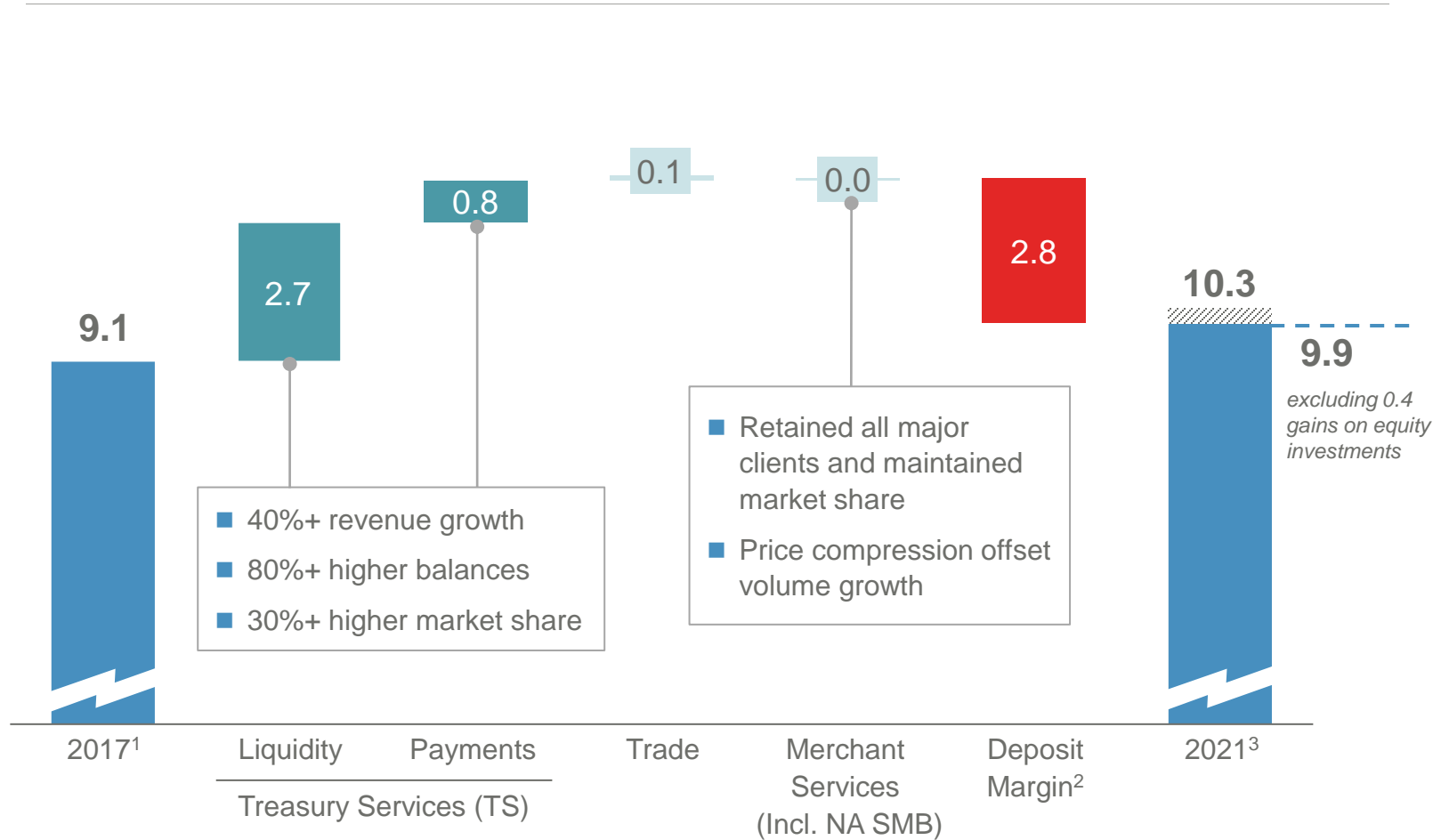
<sup>2</sup> Excludes ~350k active SMB merchant accounts across the franchise.

# We aspire to occupy a unique place in the payments industry



# We gained scale and market share in Treasury Services, offsetting deposit margin compression

## Firmwide Revenue 2017 - 2021 (\$B)



## Leadership positions & growth

	2017	2021	2021 Rank
Treasury Services	TS global market share <sup>4</sup>	5.4%	<b>7.2%</b> #1
	Payments txn avg. value/day	\$7T	<b>\$10T</b> #1
	Lockbox market share <sup>5</sup>	18.4%	<b>24.3%</b> #1
	US Real Time Payments volumes <sup>6</sup>		<b>140mm</b> #1
	Net Promoter Score <sup>7</sup>	34	<b>57</b> #1
	Digital Banking (J.P. Morgan Access®) <sup>8</sup>		#1
Trade	SCF market share <sup>9</sup>	5.6%	<b>10.0%</b> #3
MS volume	US merchant acquiring txn/year <sup>10</sup>	23B	<b>37B</b> #1
	US merchant transaction value <sup>11</sup>	\$1.2T	<b>\$1.7T</b> #1
	Payments Processing Accuracy <sup>12</sup>	<b>&gt;99.99999999%</b>	

<sup>1</sup> 2017 revenue adjusted down by \$0.1B for MS accounting re-class. Includes CB and CCB, excludes Credit Portfolio Group.

<sup>2</sup> Deposit margin represents impact from rates net of treasury actions.

<sup>3</sup> 2021 revenue includes CB and CCB and excludes Credit Portfolio Group.

<sup>4</sup> Source: Coalition Greenwich Competitor Analytics. Reflects Global Firmwide Treasury Services business (CIB and CB). For footnoted information, refer to page 45.

<sup>5</sup> EY Cash Management Ranking Report.

<sup>6</sup> Annual volume, Source: TCH.

<sup>7</sup> Greenwich Report US Large Corp.

<sup>8</sup> Source: Greenwich.

<sup>9</sup> SCF represents Supply Chain Financing. Share represents J.P. Morgan share of Coalition Index Banks for CIB only.

<sup>10</sup> Annual settled sales.

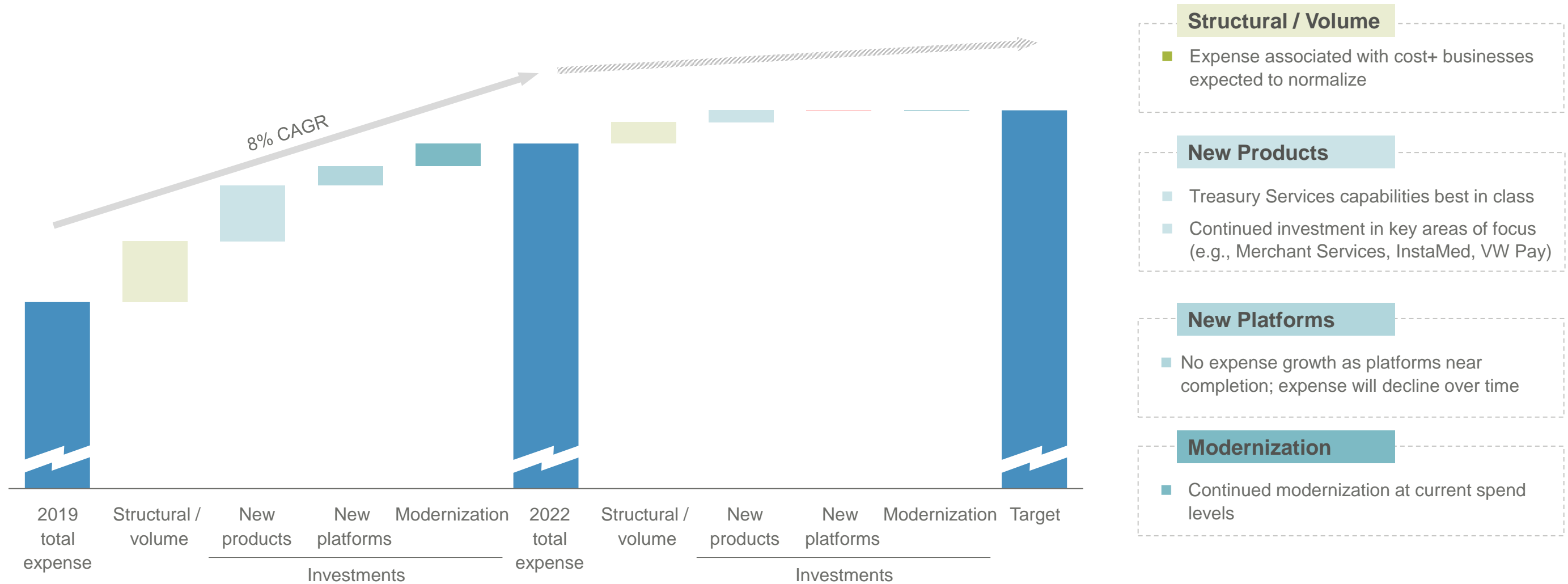
<sup>11</sup> Nilson issue 1127 and 1215 including Visa/Mastercard, pin and other credit volumes.

<sup>12</sup> Total payment errors divided by total transactions processed.

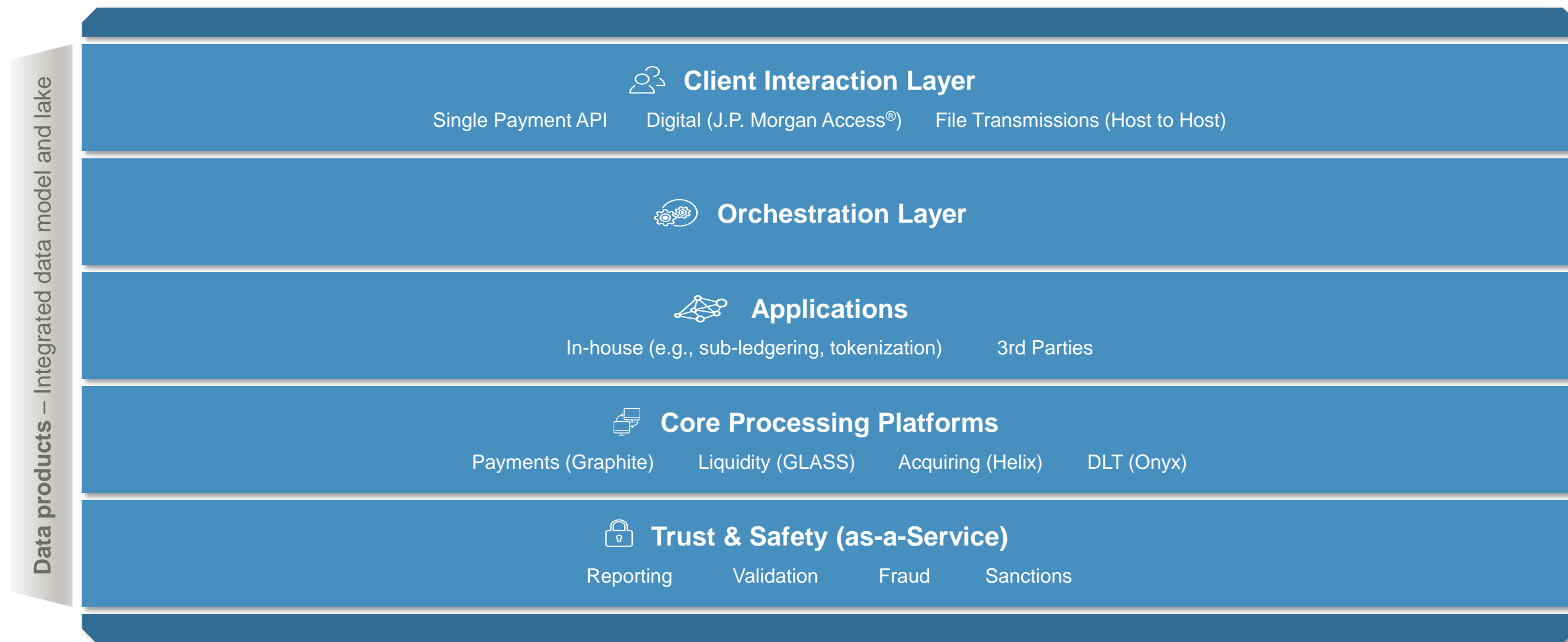
# We invested heavily in the business, but overall expense growth will decline going forward

## Firmwide Expense outlook

NOT TO SCALE



# Our Payments business is enabled by a clear design of our technology stack



**Integrated operating model – product, engineering, data & design, operations, service, and implementation**



**5.5k engineers**



**60+ fintech partnerships embedded in our solutions**

# Many of our new, cloud-native, tech platforms are nearing completion and generate revenue

## Major platforms: Progress and target completion (incl. decommissioning)

## Platform spend outlook<sup>1</sup>

**Graphite Express**  
(Global Real Time Payments)



**Graphite Simplified**  
(High Value/Low Value payments)



**GLASS**  
(Liquidity)



**Helix**  
(Merchant Processing)



### Graphite Express (Global Real Time Payments)

✓ Cumulative investments (2019-22): \$90mm



Impact

■ Enabled in 45 countries today, 54 by 2022

■ Expected ~\$40mm 2022 revenue (75%<sup>2</sup> market share of US Real Time Payment volume)

### GLASS (Global Liquidity Platform)

✓ Cumulative investment (2019-22): \$115mm



Impact

■ Won 177 out of 208 complex competitive Liquidity deals globally in 2021

■ Includes 61 of 71 Virtual Account Management (VAM) deals

■ ~\$150mm<sup>3</sup> annual value

■ Enabled innovative use-cases (Embedded Banking, JPM Coin)

✓ Reusable components across platforms enable faster development

✓ We continue to maintain and support our legacy platforms which will adequately meet our client and innovation needs until full decommissioning

<sup>1</sup> Against 2022 forecast.

<sup>2</sup> As of 1Q 2022.

<sup>3</sup> Includes estimated impact from higher rates.



# We see growth opportunities across our customer segments with concrete KPIs to track progress

## Focus areas

■ **Extend leadership with Financial Institutions** and continue to bring efficiencies and innovation to Correspondent Banking

■ **Continue to increase market share with Corporates** on the back of best-in-class TS and FX product suite, as well as structured trade capabilities (e.g., SCF)

1 **Deliver scalable and innovative industry-specific integrated solutions**

2 **Roll-out and scale end-to-end E-commerce capabilities** to empower growth of digitally native clients as well as business transformation of established Corporates

■ Invest in smart next-gen point-of-sale experiences and contextual, curated value-added services to help **drive growth with SMB clients**

Key targets	
2021	Target
<b>25%</b>	<b>30%</b>
SWIFT market share <sup>1</sup>	
<b>7.2%</b>	<b>10%</b>
TS market share <sup>2</sup>	
<b>10%</b>	<b>20%</b>
SCF market share <sup>3</sup>	
<b>8%<sup>4</sup></b>	Grow to <b>10%<sup>5</sup></b>
TS fee revenue annual growth	
<b>~0%<sup>4</sup></b>	Grow to <b>15%<sup>5</sup></b>
MS revenue annual growth	

<sup>1</sup> 2021 SWIFT market share for USD MT103s and MT202s.

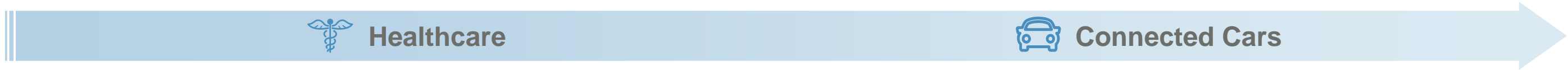
<sup>2</sup> Coalition Greenwich Competitor Analytics. Reflects Global Firmwide Treasury Services business (CIB and CB). For footnoted information, refer to slide 45.

<sup>3</sup> SCF represents Supply Chain Financing. Share represents J.P. Morgan share of Coalition Index Banks for CIB only.

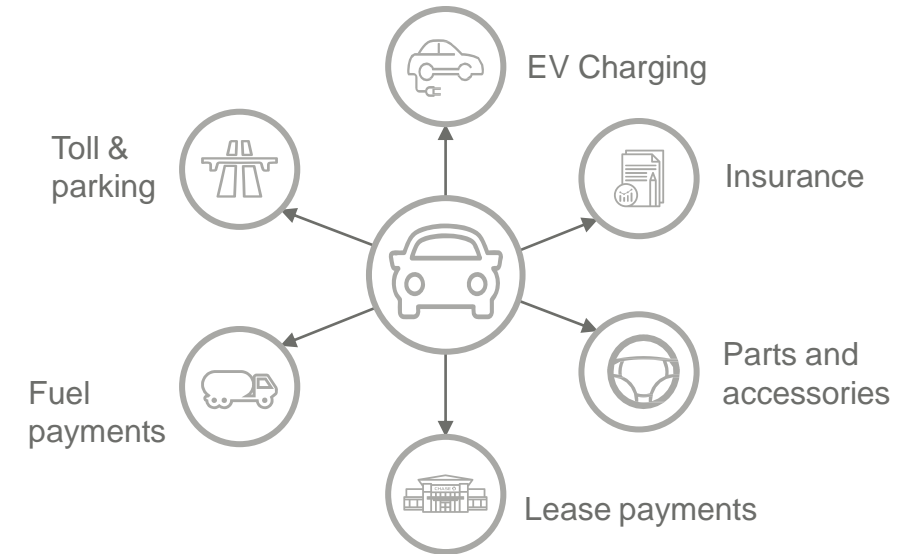
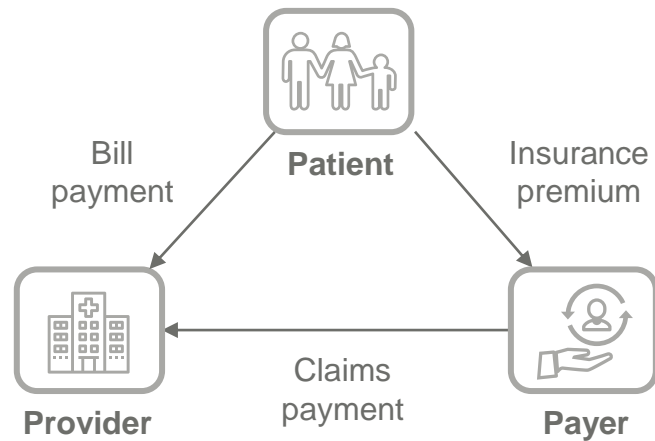
<sup>4</sup> 2017 – 2021 CAGR.

<sup>5</sup> Target growth rates go out no further than 2025.

# We are rolling out unique vertically-aligned solutions with acquisitions and strategic investments to accelerate our roadmap



## Industry ecosystems we serve



## We are deepening our capabilities through acquisitions and strategic investments



Momentum over 3 years

90%

Revenue growth

43% ▶ 59%

U.S. healthcare providers on the InstaMed Network























### Volkswagen Pay

Joint venture with Volkswagen Financial Services

Deal closed in April 2022

## We are the only provider to offer end-to-end solutions to E-commerce marketplaces & sellers

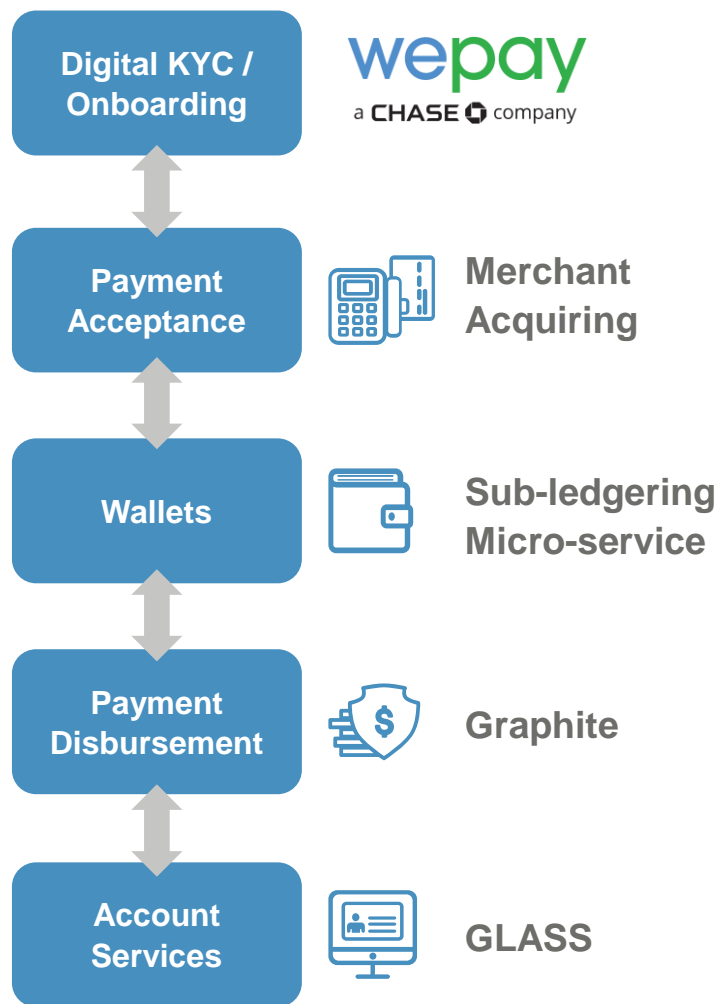
	Client needs	Existing capabilities	Major investments In development (over next 2 years)
Buyers	 <b>Accept payments (Acquiring)</b>	 Traditional payment methods, Pay by Bank (Europe), ChaseNet	 All methods of payment and financing in the US and Europe (e.g., Wallets, BNPL, Pay by Bank, Crypto) POS and Omnichannel (tap on phone, smart devices)
	 <b>Developer / Merchant Experience</b>	 Fast APIs, Bill Payments Tokenization	 No-code, configurable toolkit Hosted Pay Page; Xpress Checkout
Marketplace	 <b>Financing</b>	 Securitization/SPV options	 Merchant Working Capital
	 <b>Manage liquidity &amp; FX</b>	 Best in class suite of liquidity, account and FX solutions – physical, notional, virtual and DLT	
Sellers	 <b>Wallets</b>	 Full suite of “3 <sup>rd</sup> party money” accounts	 Embedded Banking – see next page
	 <b>Pay-outs</b>	 RTP, pay to card and wallet Payouts in 160 countries & 120+ currencies	 Near real-time cross-border payments
	 <b>Value-added services (with CCB)</b>	 Account validation Customer Insights & Offers (Acquiring & Issuing data)	 Invoicing, Payroll, Accounting and other value-added services

## VIDEO: MARKETPLACES

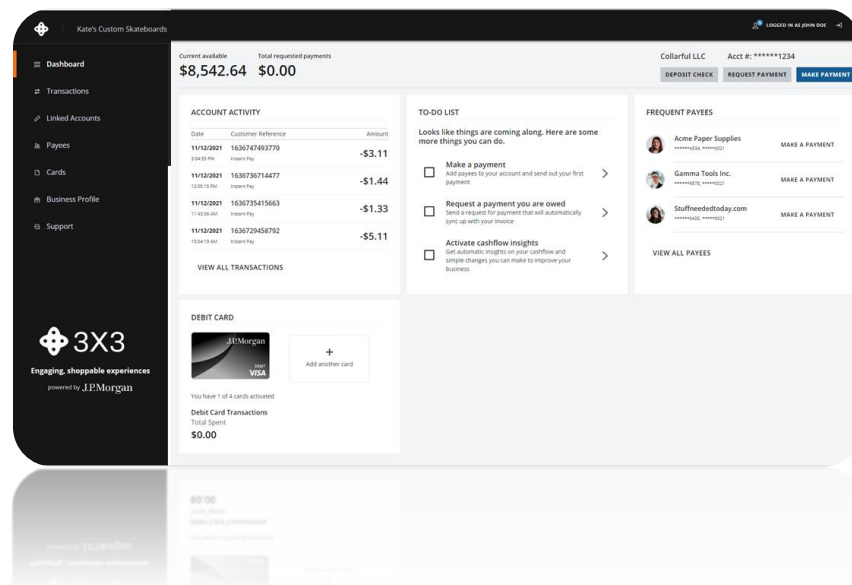


# Example of our new product development: Embedded Banking

We re-configured existing "widgets" to launch quickly...








...and deliver a seamless digital user experience...







Development partner

J.P.Morgan x  FreshBooks

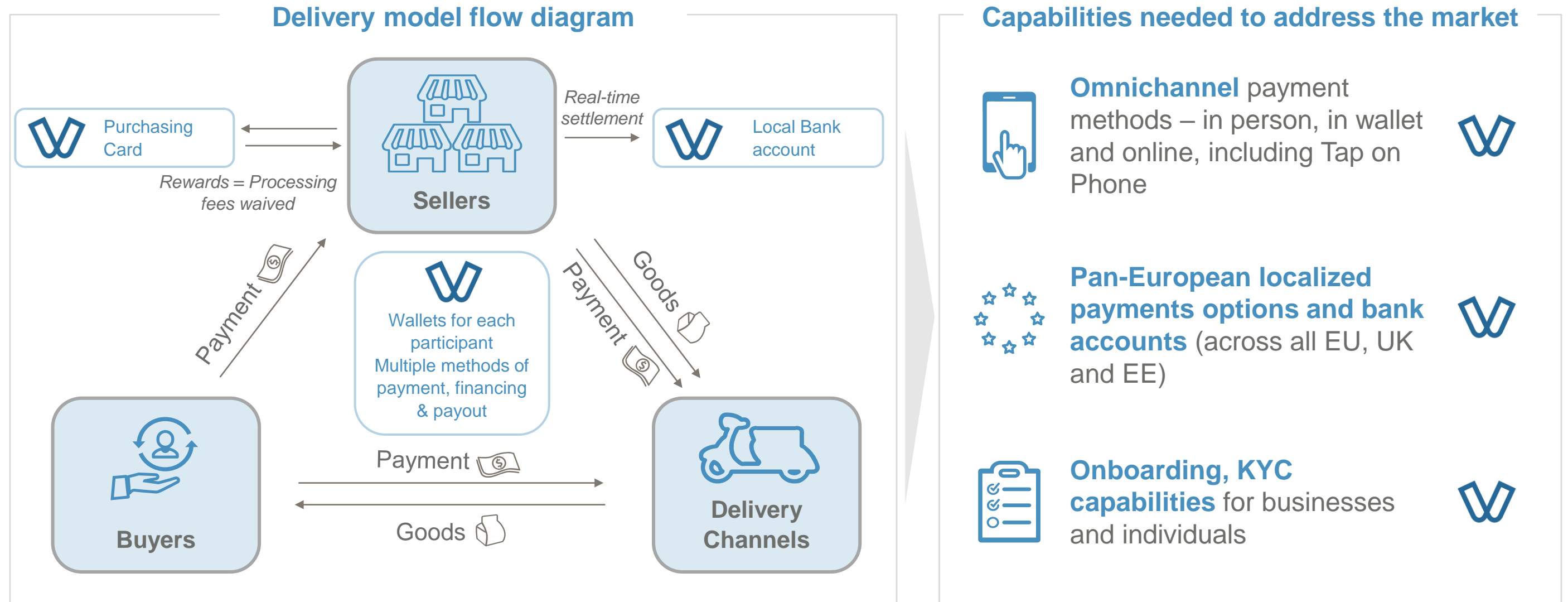
...that brings value to sellers and marketplaces

-  **Sellers**  
...Enabling businesses to bank where they sell
-  Instant digital onboarding
-  Same-day settlement & real time payouts
-  One bank account to use across marketplaces
-  Embedded in marketplace experience

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-  **Marketplaces**  
...Integrating banking services for platform partners
-  New offering to deepen seller relationships
-  Additional services can be added over time (e.g., Merchant Working Capital, accounting software)
-  New revenue potential outside own marketplace

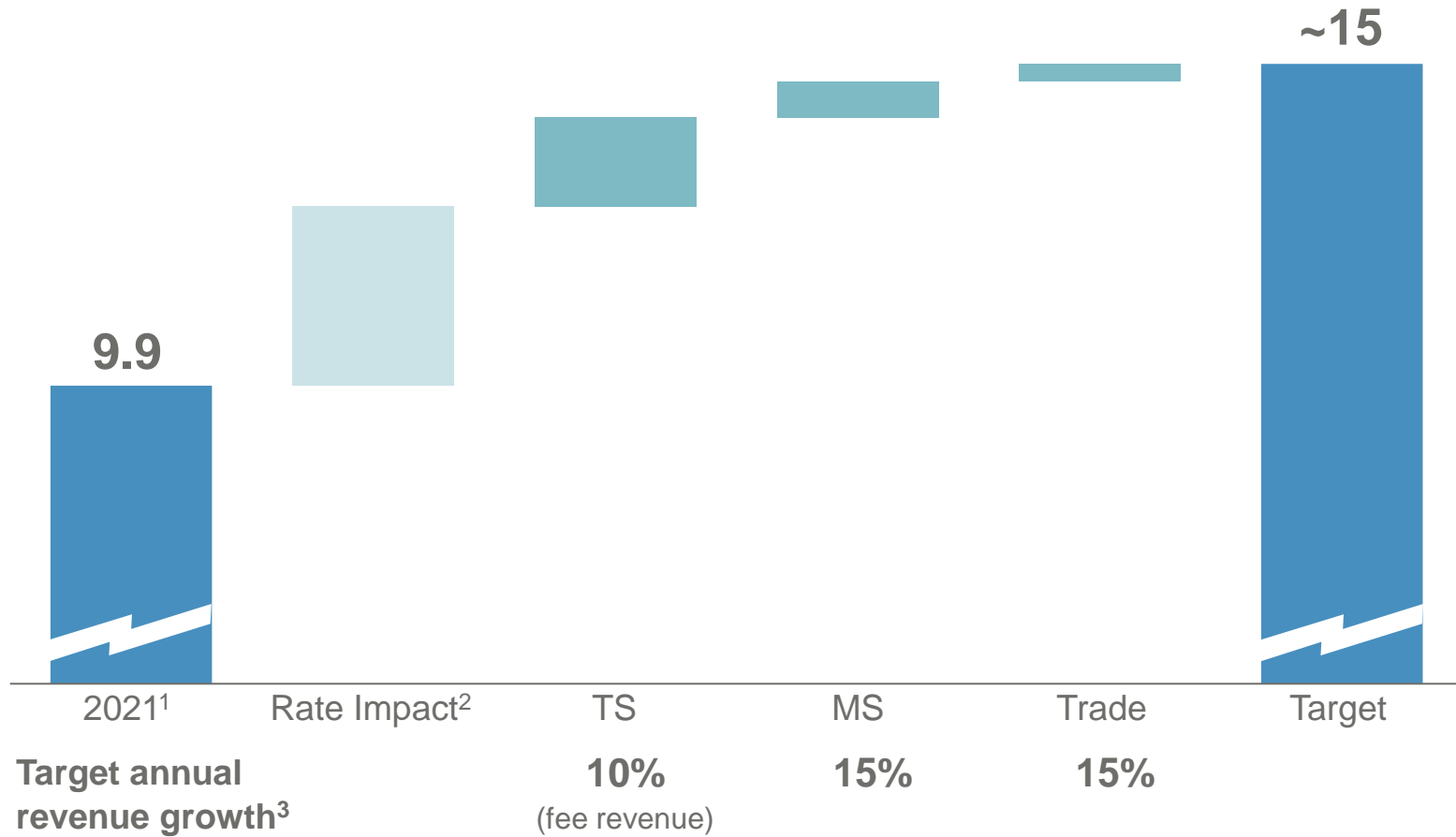
# Longer-term opportunity: We see significant upside from serving European SMBs & Marketplaces



# We believe there is a \$5B revenue opportunity

## Firmwide Revenue (\$B)

NOT TO SCALE



Target average annual revenue growth<sup>3</sup>

>10%

Target average annual PTI growth<sup>3</sup>

>20%

## Potential Tailwinds / Headwinds


- ↑ Onyx
- ↑ European expansion
- ↑ Faster growth in MS
- ↑ Acquisitions / investments at attractive multiples
- ↓ Pace and evolution of rates and inflation
- ↓ Deposit attrition from Quantitative Tightening
- ↓ Geopolitics
- ↓ Recession

<sup>1</sup> 2021 Revenue includes CB and CCB and excludes gains on equity investments of \$0.4B and Credit Portfolio Group.

<sup>2</sup> Impact of rates net of treasury actions and inclusive of deposit attrition / migration.













<sup>3</sup> Target growth rates go out no further than 2025.

# Longer-term opportunity: We are strategically investing in Onyx to deliver industry-leading capabilities & future proof our business – all at a modest cost



## Today

## Metrics

	<p><b>Liink</b> By J.P. Morgan Network for information exchange to remove frictions of Payments</p>		<p>Peer-to-peer blockchain-based network</p>	<p>Message Volume on Liink</p> <p>~35k  ~35mm</p> <p style="font-size: small;">2020 <span style="margin-left: 100px;">2021</span></p>
	<p><b>Coin Systems</b> Network for efficiently moving money 24/7</p>		<p>Faster, cheaper, and safer payments via multiple apps</p>	<p>Payments using DLT</p> <p>\$0  ~\$6B</p> <p style="font-size: small;">2020 <span style="margin-left: 100px;">2021</span></p>
	<p><b>Onyx Digital Assets</b> Network for value and assets exchange</p>		<p>JPM Coin</p>	<p>Notional Value Exchanged</p> <p>\$0  ~\$230B</p> <p style="font-size: small;">2020 <span style="margin-left: 100px;">2021</span></p>
			<p>Programmable Money</p>	
			<p>Partior</p>	
			<p>Partnering</p>	

## Partnering with leading companies to build the platforms of the future



Ant Financial, Siemens, Partior (DBS, Temasek, SCB), Deutsche Bank, Consensys, Goldman Sachs



VIDEO: ONYX



## Closing thoughts...

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# J.P.Morgan PAYMENTS

- 1** Double-digit growth and high operating leverage
- 2** Consistent **market share gains** expected to continue, with growth in Merchant Services
- 3** **Proven ability to execute** complex technology modernization and development
- 4** **Unique E-commerce platform solutions** already live with additional capabilities rolling out over next 2 years
- 5** Future proof with **Onyx** for digital assets and payments

## Topics for discussion

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①

### CIB Overview

- Financial overview
- Positioning for growth

②

### Markets

- Industry-leading global franchise
- Client-centricity driving our leadership position
- Scale and competitiveness in electronic markets

③

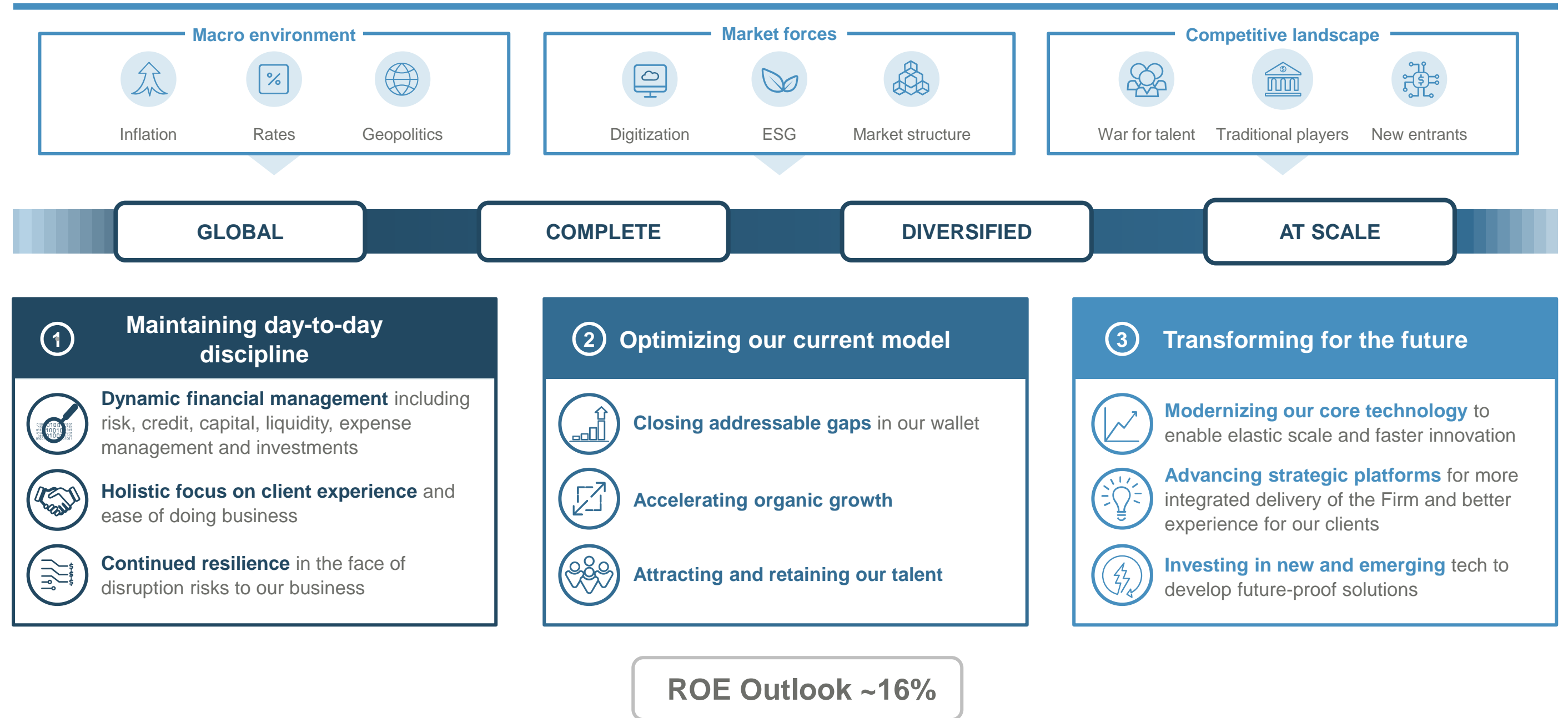
### Payments

- Overview and unique value proposition
- Strong financial performance
- Strategic focus areas to drive growth

④

### Closing Remarks

We remain confident in the resilience of our business and are constantly optimizing our model with a focus on maintaining our leadership position



# APPENDIX

# Notes on non-GAAP financial measures

1. The CIB provides certain non-GAAP financial measures. These measures should be viewed in addition to, and not as a substitute for, the CIB's reported results.

Adjusted ROE on page 2 is calculated as net income after preferred stock costs excluding credit reserve releases divided by average equity. Credit reserve releases net of tax were \$(602)mm and \$(1,483)mm for 2011 and 2021, respectively. CIB average equity was \$47B and \$83B for 2011 and 2021, respectively.

The non-GAAP financial measures on pages 5 and 16 exclude the impact of legal expense. Adjusted ROE on page 16 is calculated as net income after preferred stock costs excluding the impact of legal expense divided by average equity. CIB average equity was \$80B and \$83B for 2019 and 2021, respectively. The table below provides a reconciliation of reported results to these non-GAAP financial measures.

## Reconciliation of reported to adjusted results excluding the impact of legal expense

		CIB	
Year ended December 31, (in millions, except where otherwise noted)		2019	2021
<b>(1) Revenue</b>	<b>Reported/ Adjusted</b>	<b>\$ 39,265</b>	<b>\$ 51,749</b>
<b>(2) Expense</b>	Reported	\$ 22,444	\$ 25,325
	Adjustments:		
	Legal Expenses	\$ (381)	\$ (252)
	<b>Adjusted</b>	<b>\$ 22,063</b>	<b>\$ 25,074</b>
<b>(3) Net Income</b>	Reported	\$ 11,954	\$ 21,134
	Adjustments:		
	Legal Expenses	347	224
	<b>Adjusted</b>	<b>\$ 12,302</b>	<b>\$ 21,358</b>
<b>(4) ROE</b>	Reported	14%	25%
	<b>Adjusted</b>	<b>14%</b>	<b>25%</b>

2. Financials are as reported unless noted otherwise. In the first quarter of 2020, the Merchant Services business was realigned from CCB to CIB. Financials from 2017 onward were revised to conform with the current presentation.

# Notes on market share and rankings

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1. Source: Coalition Greenwich Competitor Analytics based on JPMorgan Chase's internal business structure and revenues. Excludes the impact of Archegos in 2021 for select firms.

Historical Coalition competitor revenues and industry wallet have been rebased to ensure consistent taxonomy and accounting/structural adjustments.

Market Share reflects share of the overall industry product pool.

Rank reflects JPMorgan's rank amongst Coalition Index Banks as follows:

- Markets (BAC, BARC, BNPP, CITI, CS, DB, GS, HSBC, JPM, MS, SG and UBS)
  - Treasury Services & SCF (BAC, BNPP, CITI, DB, HSBC, JPM, SG, SCB and WFC)
  - Securities Services (BAC, BNPP, BNY, CITI, DB, HSBC, JPM, NT, SCB, SS, and SG)
2. Source: Dealogic as of January 3, 2022 for GIB, ECM, DCM, and M&A rank analysis and market share. ECM excludes shelf deals. DCM includes all Bonds, Loans, and other debt (i.e., Securitizations and Frequent Borrowers), excluding money market, short-term debt.
  3. CIB industry wallets and growth from FY11- 21 are for GIB, Markets (Equities / FICC), Firmwide Payments (Treasury Services and Trade) and Securities Services (including Escrow, Corp Trust, Clearing & Settlement), which may differ from J.P. Morgan's comparable businesses.
  4. The 24 businesses include CIB, Banking (GIB + Treasury Services + Trade Finance), GIB, M&A, ECM, DCM, Treasury Services, Trade Finance, Securities Services, Markets, FICC, G10 Rates, G10 FX, EM Macro, Commodities, Credit, SPG, Public Finance, G10 Financing, Equities, Cash Equities, Equity Derivatives, Prime Brokerage, F&O.
  5. EMEA and APAC do not include Public Finance.
  6. Market share gains are rounded to the nearest 10bps.