



THE WAY FORWARD > > >

Corporate Responsibility Report
2009

JPMORGAN CHASE & CO.

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At JPMorgan Chase, we are focused on doing our part to lead the way forward

The products and services we provide are helping to sustain the economy, finance infrastructure, and support the growth of small and large businesses, capital markets, and local and state governments domestically and around the world, as well as helping consumers manage the financing of their everyday lives. In this difficult economy, we place great effort and emphasis on helping struggling customers stay in their homes and face their personal financial challenges.

Additionally, many of our businesses have a double-bottom line impact, meaning they seek both financial return and social benefit. These businesses are not a part of our philanthropic efforts but are based on sustainable, long-term business models. Our philanthropic efforts further multiply the impact to our communities. We recognize the overall importance of managing our own businesses responsibly and have built a culture around “doing the right thing” in our dealings with customers, clients and communities.

About JPMorgan Chase

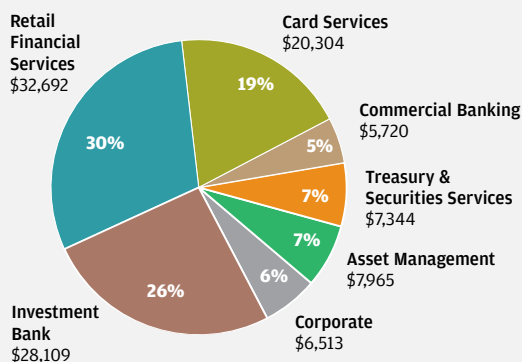
JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm and one of the largest banking institutions in the United States, with \$2.0 trillion in assets, \$165.4 billion in stockholders' equity and operations in more than 60 countries as of December 31, 2009.

We are a leader in investment banking, financial services for consumers and businesses, financial transaction processing and asset management. Under the J.P. Morgan and Chase brands, we serve millions of customers in the United States and many of the world's most prominent corporate, institutional and government clients. JPMorgan Chase's activities are organized into the following six business segments, as well as Corporate/Private Equity: Investment Bank, Retail Financial Services, Card Services, Commercial Banking, Treasury & Securities Services and Asset Management.

For complete financial and organizational information, please refer to our 2009 Annual Report.

Managed Net Revenue¹ by Line of Business

Full-year 2009
(in millions)



¹ For a discussion of managed basis presentation and a reconciliation to reported net revenue, see pages 58-59 of the 2009 JPMorgan Chase Annual Report.

Financial Highlights

As of or for the year ended December 31,
(in millions)

	2009	2008
Reported Basis²		
Net Revenue	\$100,434	\$67,252
Noninterest Expense	52,352	43,500
Pre-provision Profit	48,082	23,752
Provision for Credit Losses	32,015	20,979
Income before Extraordinary Gain	11,652	3,699
Extraordinary Gain	76	1,906
Net Income	\$ 11,728	\$ 5,605

² Results are presented in accordance with accounting principles generally accepted in the United States of America, except where otherwise noted.

Message from Jamie Dimon, Chairman & CEO



At JPMorgan Chase, we feel a deep responsibility to build a strong company for our customers, our shareholders and our employees and also for the communities in which we operate around the world.

What you will see in the following pages is a combination of the many different ways that we use our capital to support our clients and customers, help create jobs, strengthen businesses and governments, enhance communities and provide greater opportunities for consumers to achieve their financial goals in a responsible way. And we also give an overview of our long-standing commitment to having best-in-class business practices and governance.

We have never – and will never – take for granted the trust our shareholders and other stakeholders have in who we are as a company. We are fully aware that there are a number of different perspectives on the financial industry in the current environment just as there were a number of fundamental causes and contributors to the financial crisis of the past few years (which I discussed at great length in my letter to the shareholders the last two years).

Irrespective of these varying opinions, we embrace our continued responsibility to earn and deepen trust every day, and with every customer and every interaction, as we move forward. We plan to use every effort to do just that by continuing and improving on the good works outlined in this report and also by challenging ourselves every day to do the right thing, not the easy thing, in everything we do.

A handwritten signature in dark ink, appearing to read "Jamie Dimon". The signature is stylized with a large, sweeping initial "J" and "D".

Message from Bill Daley, Head of Corporate Responsibility



The U.S. and global economies have suffered greatly in the past two years. As a result, companies, governments and citizens around the world are taking a closer look at individual and corporate responsibility and how to prevent such a crisis from happening in the future. The complexity of the world, with not only the recent economic challenges and volatility but growing interdependence of global markets, and changing communications, technology and regulatory environment all result in a need for our firm and the rest of the financial services industry to be more focused corporate citizens.

As a leader in financial services, JPMorgan Chase always has seen corporate responsibility as a key underpinning to our culture, and we take our role in leading the way forward seriously. In this environment, corporate accountability will (as it should) inevitably increase – regulations and stakeholder engagement will ensure this. More important, our own expectations and standards also reflect an evolving view as to what the best business model in the financial services industry should be and demand that appropriate attention be paid to our customers, clients and communities.

We believe that corporate responsibility manifests itself in a number of different ways, which you will see outlined in this report. Corporate responsibility is at the heart of the very architecture of our businesses: responsible lending and business practices and what we do every day for our clients – consumers, small- and medium-sized businesses, corporate and institutional clients, governments, not-for-profits – and communities around the world.

Corporate responsibility is an important part of our culture, and I encourage you to share your thoughts with us as we do our part to lead the way forward.

A handwritten signature in black ink that reads "Bill Daley". The signature is written in a cursive, flowing style.



Serving consumers

Highlights of 2009 include:

Chase's businesses continued to make credit available to consumers, enabling them to finance homes, purchase cars and attend college, as well as to make everyday purchases. In lending responsibly, Chase follows disciplined underwriting standards and strives to make loans borrowers can afford.

- Originated \$150.7 billion of mortgages to help families take advantage of historically low interest rates to reduce their monthly payment by refinancing or to purchase a home.
- Became the largest U.S. auto lender, financing more than 1.1 million auto loans for consumers (up 25% from 2008 to \$23.7 billion). We served new clients and built relationships because we were strong enough to lend when competitors had to pull back.
- Financed more than \$325 billion of credit card purchases of goods and services (customers choose whether to pay off their balances each month without incurring interest or to revolve the loans). Chase also introduced a number of innovations to help consumers understand, control and manage their credit card accounts.
- Continued to help students and their families cope with the rapidly rising costs of higher education by providing private student loans as the government has shifted federal insured loans away from banks.

Given the extraordinary challenges of the housing market and the overall economy, we continued our efforts aimed at keeping struggling families in their homes and helping consumers facing financial difficulties.

Keeping families in their homes¹

Mortgage modifications

At Chase, we are working very hard to keep families in their homes by making their home payments affordable wherever possible. As a national leader in foreclosure prevention, we have continued to expand upon and improve our programs to keep families in their homes, and we have helped prevent more than 965,000 foreclosures in the last three years.

Since just the beginning of 2009, Chase offered more than 731,000 modifications to struggling homeowners and has completed more than 110,000 permanent modifications under the Home Affordable Modification Program (HAMP), Chase's own proprietary modification programs, and modification programs offered by the Government Sponsored Enterprises, the Federal Housing Administration (FHA) and the Department of Veterans Affairs (VA).

In order to accomplish these unprecedented initiatives, we hired thousands of people, including more than 3,500 loan modification counselors (bringing the total number of loan modification counselors in call centers to more than 6,250) and additional mortgage operations employees (bringing the total number of Chase Home Lending employees dedicated to helping struggling customers to more than 16,000 – nearly 50% of our total staff in Home Lending). We also added space, upgraded our technology and engaged third-party vendors.

The highlights of these initiatives from 2009 and through February 2010 include:

- Opened 51 Chase Homeownership Centers in 15 of the hardest-hit states where struggling borrowers around the country can meet face to face with trained counselors. These counselors have assisted more than 91,000 borrowers since early 2009.
- Mailed more than 1 million letters to invite Chase customers to discuss their situation or help them complete their HAMP documents.
- Handled more than 12.8 million inbound calls to our call centers from homeowners seeking foreclosure prevention assistance, including 2.4 million calls to our dedicated customer hotline for modification inquiries.

Chase Modification Volumes²

Key Statistics	HAMP	Chase Programs	Agency	Total
Modifications Offered	229,819	253,977	247,553	731,349
Approved for Permanent Modifications ³	57,177	80,827	28,748	166,752
Permanent Modifications Completed	19,470	67,999	22,706	110,175

1 In this section about "Keeping families in their homes," we have included statistics from 2009 and the first two months of 2010 (except where otherwise noted).

2 Figures include data from 2009 and through February 28, 2010.

3 Approved for Permanent Modifications includes modifications made permanent as well as borrowers approved for a permanent modification but for whom the permanent modification has not yet been completed.

- Hosted and participated in 471 homeowner events to educate and inform homeowners about the loan modification process and assist in the completion of required documents.
- Instituted an independent foreclosure review process to avoid preventable foreclosure referrals and sales.

Chase offers other foreclosure prevention options, such as:

- Temporary forbearance agreements for unemployed borrowers.
- Payment plans (where a borrower agrees to pay back arrearages over time).
- Second-lien modifications, whether or not Chase owns the first lien on the property.
- Re-subordination of second liens, allowing borrowers to refinance their first loan and reduce their monthly payments.
- Short sales (where Chase agrees to accept less than the amount of the mortgage).
- Deeds in lieu of foreclosure (where the borrower and Chase avoid the drawn-out process of foreclosure).

When foreclosures do occur

Despite the range of initiatives, we know that many foreclosures will occur in this challenging economic environment. So it is vital to our communities and to Chase to address the issue in the following ways:

- Chase has an experienced property preservation team that works with national preservation companies to monitor properties, handle ongoing maintenance and address any emergency situations quickly.
- Chase works to get foreclosed properties refurbished (when necessary) and back on the market, sold and occupied as quickly as possible.
- Chase created a team to develop creative strategies to deal with foreclosed properties, working with our partners in the community and our banking regulators. A key component is Chase's program to donate or deeply discount hundreds of homes to not-for-profit groups and municipal governments in high-needs neighborhoods across the country. In October 2008, Chase announced a goal to donate or sell at deeply discounted values 500 Chase Real Estate Owned foreclosed properties over the next two years. In 18 months, we have transferred more than 550 homes in 25 states and currently are working with more than 300 participating not-for-profits/municipalities to do even more.

As we move forward in home lending, it is important to remember the industry's lessons of the last few years. While we did not originate, purchase or service pay-option Adjustable Rate Mortgages, we did acquire a portfolio of them in 2008 when we acquired EMC – a subsidiary of Bear Stearns – and the mortgage assets of Washington Mutual (WaMu) from the Federal Deposit Insurance Corporation. We continue to service the acquired loans and work to modify them if needed. We have stopped working with third-party mortgage brokers.

We are requiring larger down payments and are verifying the income and assets of borrowers. We have proactively established tighter credit criteria for Fannie Mae, Freddie Mac, FHA and VA loans where we have observed poor historical borrower performance. This, undoubtedly, will make it harder for some consumers to become homeowners, but it also will help avoid the economic and personal heartbreak of the last few years.

**In short, we have one simple goal:
to make mortgages that families can afford over the long term.**

Helping struggling credit card customers

Our credit card business has taken an active role in advocating and providing greater consumer choice and control.

These efforts include the following:

- **Customer support training**
Our credit card representatives are trained with a collaborative, solutions-oriented approach that helps them understand customer needs and deliver solutions.
- **Payment programs**
Chase restructures credit card loans to reduce interest rates, waive late and overlimit fees, and extend repayment terms through a variety of internal and external payment programs. Chase has continued to expand eligibility to customers in earlier stages of delinquency and has increased flexibility for customers to move between and re-enroll in programs. Since 2008, these efforts have led to more than 1.5 million new customer enrollments on restructured loans (through year-end 2009).
- **Credit counseling agencies**
Chase provides referrals to more than 500 qualified not-for-profit credit counseling agencies and accepts certified debt management plans for eligible customers. These agencies also provide education, training and guidance to help consumers make better financial decisions in the future. Chase supports the National Foundation for Credit Counseling's Call to Action to provide consumers in need with lower monthly payments, to increase program eligibility and to further support program retention.

We continue to offer a variety of programs and services aimed at empowering consumers to manage their finances responsibly.

Innovating products

Chase continues to empower customers through innovation, helping them manage their credit card spending responsibly.

Featured products include:

- **BlueprintSM**
In 2009, Chase introduced an industry-first set of features that dramatically improves the way customers can manage their spending, payments and borrowing based upon their unique financial goals. Customers also can design a simple plan to avoid interest and pay off card balances sooner – tracking progress toward achieving their goals on every statement via online access and on the phone. BlueprintSM was recognized as Most Innovative New Program in 2009 by CardRatings.com, a leading consumer education website.
- **Chase Clear & SimpleSM**
Chase continues to offer an ongoing program designed to help customers better understand and manage their credit card accounts through consumer-supporting initiatives such as free account alerts and choice in due dates.

Revamping overdraft for our banking customers

We revamped our overdraft policies to make them clearer and simpler and to give customers more control over their debit cards and the fees they pay.

Highlights include:

- We allow customers to choose whether they want overdraft services for their debit cards.
- We modified posting orders to recognize debit card and ATM withdrawals as they occur, reducing consumer fees.
- We charge no more than three overdraft fees per day, down from six.
- We charge customers no overdraft fee if their account is less than \$5 overdrawn.

We also expanded access and convenience to make it easier to do business with us.

Highlights of our efforts include:

- **Bank branches and ATMs**
Opened 117 bank branches and added 800 ATMs.
- **Deposit-friendly ATMs**
Converted 4,300 ATMs to deposit-friendly by eliminating envelopes and providing images of deposited checks on the screen and on receipts, making customers more comfortable making deposits at an ATM and facilitating round-the-clock convenience for them.
- **Branch staff**
Added 2,400 personal bankers, business bankers, investment specialists and mortgage officers in bank branches. These efforts help us serve customers better and broaden our relationships with customers beyond checking accounts and other basic services.
- **A range of languages at branches, in homeownership centers, via online and in communications**
Our branch employees speak dozens of languages, primarily reflecting the neighborhoods in which they work. Counselors at our Chase Homeownership Centers also speak many languages, including Spanish – a crucial way to communicate with customers facing the possible loss of their homes. Our ATMs offer customers 10 different languages – including Spanish, Chinese and Korean – or customers can establish their ATM-language preference through www.chase.com. In addition, we continue to offer Spanish brochures and forms, recognizing the diversity of our customers. In 2010, we plan to add Spanish-language statements as well as interactive functionality in Spanish on www.chase.com.
- **Text assistance**
Customers can instantly respond to a text alert about a low account balance and immediately move more funds into the account by sending a text-message reply.



Supporting small businesses

We recognize that small businesses are critical to economic recovery and stability and to the building of America's future. They provide jobs for more than half of the nation's private workforce, and they often need credit to manage their businesses and to grow. So we seek out creditworthy business owners – especially ones who bank with us – and look for every opportunity and program to provide the funding they need.

Increasing our lending commitment

In November 2009, Chase increased our commitment to small business lending – from \$6 billion in 2009 to \$10 billion in 2010. This will provide businesses with increased access to working capital, term loans for expansion, commercial mortgages, lines of credit and business credit cards.

The new commitment will help qualified businesses with annual sales of up to \$20 million, with the majority of new loans helping companies with sales of less than \$10 million. At year-end 2009, Chase had more than \$30 billion in outstanding balances in loans, lines of credit and credit card balances to businesses with annual sales of less than \$20 million.

Chase also announced its intention to hire an additional 325 small business bankers. By spring 2010, Chase had hired two-thirds of the 325 additional small business bankers – most of them working from Chase bank branches to help reach small businesses.

Taking another look at declined loans

In November 2009, Chase announced it would allow any customer to request a second review 24 hours after any small business loan is turned down (we already review

more complex loans automatically). We then consider alternatives – lowering the dollar amount, requiring additional collateral or seeking more information – that could make the loan work. By spring 2010, we had approved an additional \$110 million in credit to small business applicants.

Worked more closely with the Small Business Administration

In the first six months of the Small Business Administration's (SBA) current fiscal year¹, Chase lent \$181 million, up tenfold from \$15 million a year earlier. Chase ranks first nationally in the number of SBA loans with 1,468 through March 31, 2010 and is the largest originator of America's Recovery Capital Loan program.

Expanded products, education

Highlights of our efforts announced in 2009 include:

- Rolled out an expanded line of credit cards called InkSM with features and benefits to help business owners manage their everyday cash flow needs.
- Scheduled a series of webinars and credit town halls in 2010 to help small businesses learn more about the credit process.

¹ The SBA's current fiscal year (2010) began October 1, 2009 and ends September 30, 2010.



Doing business with a double-bottom line impact

Significant parts of our business are focused on lending and investing activities that have financial return and direct social benefit.

Whether it be our government, not-for-profit and health-care (GNPH) or the Investment Bank Public Finance groups, which finance state and local governments, healthcare and educational institutions; our Social Finance group, which provides investment and capital markets services to social entrepreneurs, organizations and businesses serving the base of the economic pyramid globally; our Community Development group, which finances affordable housing and community development and supports institutions serving low- and moderate-income communities; or our renewable energy lending and investing businesses, each provides capital in a way that directly helps strengthen our communities and has a demonstrable economic or social impact domestically and/or globally. We characterize these as double-bottom line businesses.

JPMorgan Chase had more than 750 employees and a portfolio totaling approximately \$76 billion dedicated to double-bottom line lending and investing activities¹ at year-end 2009. Across these businesses, the firm originated nearly \$30 billion for its clients in 2009 alone. We believe that these activities are critical to help support our communities, to stimulate growth, to provide essential infrastructure and services, and to create jobs. It, therefore, also is of vital importance that these activities be based on sustainable, long-term business models.

¹ Data from the following businesses are included in the aggregate figures for double-bottom line lending and investing: Community Development Banking, Tax-Oriented Investments; Alternative Energy Banking; Commercial Bank GNPH; Investment Bank Public Finance; Social Finance; and CRA Private Equity.

We were there for our government and corporate clients when credit and capital were difficult to access and the global economy went through extreme challenges.

Public sector

Our businesses strive to provide financial solutions that help our government, not-for-profit, healthcare, essential service and higher education clients advance the excellence, increase the value and manage the costs of the services they provide to the public.

Highlights of 2009 include:

- Provided more than \$100 billion¹ to states and local governments, healthcare organizations and educational institutions. These funds helped build infrastructure, improve social services, expand primary and higher education and hospitals, and fund medical research.
- Helped provide financing urgently needed to fund cash flow shortfalls, including for California (\$4 billion), New Jersey (\$2 billion), Illinois (\$1 billion) and Philadelphia.
- Served as the largest administrator of food stamps via electronic debit card-based food stamp support services in the United States, with more than 9.1 million active cases across 27 states/territories under contract.
- Administered state unemployment cases via electronic debit cards, with 2.1 million active cases across nine states at year-end 2009.

Financial institutions

J.P. Morgan arranged and raised \$178 billion of capital for banks and financial institutions around the world. That amounts to nearly 10% of the capital raised in 2009 to restore the global banking system to health.

Renewable energy lending, investing and other activities

The firm is active in promoting environmental sustainability, lending and investing directly to the renewable energy industry and in facilitating and promoting sustainability efforts of its clients. For more information on our environmental sustainability lending, investing and other activities, please refer to the section of this report entitled “Promoting environmental sustainability.”

¹ Figure includes financing extended and/or raised by the Commercial Bank GNPB and Investment Bank Public Finance businesses in 2009 (including both new financing, renewals and funds raised via bonds issued).

The firm also provides investment and capital markets services to social entrepreneurs, organizations and businesses serving the bottom of the economic pyramid globally.

Social Finance

We believe that tackling the world's social problems requires more than traditional development aid or charity. We see significant potential and need for market-based solutions to global poverty and inequality.

J.P. Morgan's Social Finance unit provides investment and capital markets services to social enterprises, funds, foundations, non-governmental organizations, development financial institutions and other investors serving the base of the economic pyramid. In doing so, Social Finance achieves a double bottom line of financial return and social benefit.

Social Finance is committed to growing the "impact investing" industry – investments that generate environmental and social value as well as financial return. Social Finance aims to help scale the impact investing market by investing J.P. Morgan's own capital; creating and distributing investment products for other investors; providing thought leadership and research on the market; and engaging our employees in this movement.

The focus includes microfinance, small and medium enterprise financing, energy solutions, sustainable agriculture, healthcare, education, water and sanitation, and affordable housing.

The firm helped raise \$60 million of private capital for a microfinance fund that will provide capital necessary for microfinance institutions (MFI) to extend approximately \$900 million in additional credit over seven years to poor working households. J.P. Morgan invested \$10 million of our own monies in the fund. J.P. Morgan's placement activity expanded the institutional investor base for microfinance.

J.P. Morgan served as exclusive advisor to Opportunity International, a not-for-profit network of MFIs, on its sale of Opportunity Bank Montenegro. The sale allowed Opportunity International to increase its outreach to programs targeting the poorest families in countries such as Malawi, South Africa, Colombia and Mexico.

The firm is a founding sponsor of the Global Impact Investing Network (GIIN), a N.Y.-based not-for-profit organization, in partnership with The Rockefeller Foundation. We are working with leading institutional investors, foundations and intermediaries that have come together to advance the impact investing industry. J.P. Morgan announced its support for GIIN at its launch at the Clinton Global Initiative in September 2009.

J.P. Morgan supported thought leadership in the microfinance industry by co-authoring a research report in 2009 and 2010 with the Consultative Group to Assist the Poor, a World Bank group, on microfinance equity valuations. The report can be accessed on our website at www.jpmmorgan.com/ib/mfi.

In addition, J.P. Morgan employees volunteered their time and skills in support of the sector. Activities include:

- Employees volunteered across 16 projects through our partnership with Grameen Foundation's Bankers without Borders® (BWB) initiative – a program that matches professionals for short-term projects supporting MFIs with technology-for-development initiatives. Nearly 200 more employees have registered with BWB for assignments. J.P. Morgan was an inaugural sponsor of the program and expanded its support with a three-year, \$3 million grant from the JPMorgan Chase Foundation.
- Employees supported TechnoServe's Latin American social business plan competitions in Chile, Colombia and Peru, helping train 300 entrepreneurs and complete 160 business plans.
- J.P. Morgan sponsored Women's World Banking Capital Markets Conference in 2009 and 2010. One hundred employees volunteered as panelists, judges and participants in an MFI strategy competition.
- The firm hosted a speaker series featuring more than 20 leaders in social finance in New York City and London to educate employees and others in the community.

Chase has built its reputation on financing affordable housing, extending its commitment beyond homeownership and rental housing to include commercial projects, day care and healthcare facilities, special-needs facilities, not-for-profit real estate ventures and more. Its lending and investing activities are designed to help revitalize entire communities – not just standalone structures.

Community Development Banking

Community Development Banking's (CDB) mission is to further the firm's commitment to invest in the communities it serves by:

- Lending for the construction and rehabilitation of housing that is affordable to low- and moderate-income households.
- Supporting intermediaries, such as Community Development Financial Institutions, that serve low- and moderate-income communities.
- Investing in a broad array of projects in low- and moderate-income communities through New Markets Tax Credits (NMTC).
- Bringing Chase's financial expertise, leadership and innovative ability to the broader affordable housing and community development sectors.

CDB is active in Chase's footprint. In 2009, CDB continued to have a demonstrable impact in our communities, including helping to create more than 5,500 units of affordable housing to low- and moderate-income families and lending and investing in projects that created or retained more than 10,000 jobs.¹

Community Development Banking accomplishes its work through its three businesses:

- **Community Development Real Estate** provided \$541 million in new credit commitments for affordable housing in 2009. The group also financed economic development projects, particularly utilizing New Markets Tax Credits and other subsidies. In addition, Community Development Real Estate has helped create and fund multiple pooled loan funds that facilitate real estate acquisition by not-for-profit entities seeking to preserve the affordability of multifamily housing. Chase partners with other major lenders and foundations to support, create and develop unique products and programs to promote affordable housing.

¹ Number includes jobs retained or created by Community Development Real Estate (estimate based on formulas established by the National Association of Home Builders – September 2007 Report for Tax Credit Housing Projects (151 local jobs per 100 units of affordable housing)) and NMTC (as reported by recipients of our funding). Data measure only the capital provided with Chase's proprietary allocations.

- **The Community Development Intermediaries Lending (IL) group** participates as a lender in a number of community loan funds across the United States. Chase indirectly finances affordable housing, community facilities and small businesses by providing financing to its intermediary customers working in the banks' low- and moderate-income communities. Chase is a recognized leader in lending to and meeting the range of financial needs of Community Development Financial Institutions. The group also is a leader in providing financing for Low Income Housing Tax Credit (LIHTC) syndicators. In 2009, Chase provided \$152 million in lending to intermediaries.
- **The Community Development New Markets Tax Credits group** is an active leader in the NMTC industry – both as an allocatee and as an investor. In 2009, Chase was one of the largest and most active investors in the market. Chase uses the NMTC in two distinct ways to invest in low- and moderate-income communities across the country. First, it is focused on using its proprietary NMTC allocations to provide clients, not-for-profits, real estate developers and operating businesses with senior debt at interest rates substantially below the market rate. Second, Chase partners with a range of community development organizations to provide equity-like financing to qualified projects through the NMTC program.

Tax-Oriented Investments

Tax-Oriented Investments, a part of the Investment Bank, makes tax credit equity investments in apartments qualifying for Federal Section 42 Low Income Housing Tax Credits and, when done in tandem with Section 42 transactions, Federal Section 47 Historic Credits. Known externally as JPMorgan Capital Corporation (JPMCC), it is a nationally recognized leader in the business, having invested more than \$12 billion since the program became permanent in 1993. This represents approximately 14% of LIHTC equity raised. During the financial crisis when many investors were on the sidelines, JPMCC continued to invest and was the largest investor in 2008 and 2009, investing \$615 million and \$530 million, respectively. This level of investment provided housing for 11,357 households.

JPMCC works closely with other areas of the firm to achieve our community development goals, an important one being Community Development Banking. JPMCC partners with CDB by providing its access to a variety of transactions through JPMCC's syndicator partners and assuring the developers an efficient and certain execution.

JPMCC has an affordable housing portfolio of more than \$8.3 billion which represents interests in more than 5,500 properties and 400,000 housing units.

CRA Private Equity

Our Community Reinvestment Act (CRA) Private Equity business provides equity financing to small businesses and real estate projects located in low- and moderate-income communities that meet minimum return requirements and provide Community Reinvestment Act investment test credit. Most investments are in equity funds vs. direct investments. The portfolio totaled more than \$325 million at year-end 2009 and includes investments in 30 states.

Highlights of our impact in our local communities



Hobbs Court/The Ciena – New York, N.Y.

In 2009, Chase closed a \$72 million standby letter of credit to support the New York City Housing Development Corporation (HDC) fixed-rate tax-exempt bonds, with sub-

ordinate loan financing from the New York City Department of Housing Preservation and Development and HDC, for the Hobbs Court and The Ciena projects. In addition, JPMorgan Capital Corporation provided approximately \$39 million in tax credit equity to the projects. Hobbs Court/The Ciena, located on land owned by the New York City Housing Authority in East Harlem, will encompass two multifamily projects consisting of 340 apartments and 527 square feet of community space, as well as parking for 150 cars. The projects are being developed by Phipps Houses under New York City affordable housing programs to spur new housing for those earning less than 60% of New York City's median income. The projects have the distinction of being the first in the nation to utilize subsidies made available by the New York City Department of Housing Preservation and Development under the Federal Stimulus Act for the development of affordable housing.



CityWalk at Akard – Dallas, Texas

Central Dallas Ministries, a Dallas-based not-for-profit organization, and the Central Dallas Community Development Corporation (CDCDC) co-sponsored a project to redevelop the CityWalk at Akard. The 15-story masonry office building built in 1958

and an adjoining three-story addition had been vacant for a decade. Central Dallas Ministries came to Chase seeking acquisition and construction financing for CityWalk. CDCDC wished to increase the supply of affordable housing in inner city Dallas by turning the existing buildings into nearly 30,000 square feet of commercial office/retail space, 200 income-restricted rental units and six market rate for-sale residential condos. This project is the first of its kind in Dallas, offering permanent supportive housing for low-income residents and the formerly homeless. Chase provided \$14.3 million in lending to the project, which was completed in December 2009. Additional funding came from the city of Dallas and investors, with private loans and donations making up the rest.



Learning Community Charter School – Jersey City, N.J.

Last year, JPMorgan Chase lent nearly \$7 million to one of New Jersey's most successful charter schools – Learning Community Charter School.

The loan helped transform the school from a maze of crowded concrete block rooms and trailers to a brand new facility – complete with a cafeteria, library, auditorium and its own gymnasium. Intermediaries Lending made a loan of \$4.8 million, and the NMTC group made an equity investment of \$1.96 million to the project, in partnership with The Reinvestment Fund, a not-for-profit Community Development Financial Institutions and NMTC allocatee.



Young Women's Christian Association – Los Angeles, Calif.

Young Women's Christian Association (YWCA) Greater Los Angeles teamed up with Chase to finance the construction of a new facility that will provide at no cost to homeless, emancipated and at-risk youth a holistic career development training program. In 2009, the YWCA closed on a deal to construct a new 154,000-square-foot facility to serve as the organization's new headquarters and campus for the U.S. Department of Labor Los Angeles Job Corps Center. The new building will feature housing for 400 students, a library, a modernized and expanded medical and dental

clinic and infirmary, commercial kitchen, dining hall, classrooms and staff offices, as well as study and lounge areas. In support of the project, Chase's NMTC group provided a \$14 million equity investment, and, in addition, the Intermediaries Lending group supplied a short-term bridge loan to the financing structure. Chase partnered with Local Initiatives Support Corporation, Enterprise Community Investment and the Los Angeles Development Fund.



Greater West Town – Chicago, Ill.

Chase, in partnership with the city of Chicago and the Chicago Development Fund, invested \$4 million of NMTC equity to help finance the renovation of an old, unused

factory building into a modern, energy-efficient job training and placement center that will help expand the educational and economic opportunities for disadvantaged, unemployed community residents. The renovated space will feature expanded space for Greater West Town's (GWT) Career Training and Economic Development Center, which provides job training and placement for disadvantaged, unemployed community residents in the high-growth industry sectors of manufacturing, transportation, distribution and logistics. Upon completion, the center will have the additional capacity needed to serve 75% more individuals – an important service in helping promote long-term employment and

economic stability for area residents. In addition, GWT's West Town Academy, an alternative high school program for disadvantaged youth, will be able to expand its enrollment from 100 to 250 students. GWT also will support a 7,000-square-foot business incubator, with the potential to incubate 20 small businesses and 150 new manufacturing jobs over the next 10 years.



Christ the King School – Chicago, Ill.

The NMTC group helped finance a new private high school that makes it possible for low-income families to provide a private education for their children. The project

includes the construction of a 100,000-square-foot college preparatory high school campus designed to accommodate up to 600 high school students. In addition to the work study jobs created for nearly all students that pay for the majority of the costs of a student's education, jobs will be created for teachers, administrators, maintenance/janitorial staff, cafeteria workers, tradesmen and bus operators. Chase's NMTC group acted as advisor and coordinator on the transaction and also provided a \$9.4 million investment. Chase partnered with the Local Initiatives Support Corporation and the Chicago Development Fund to provide the NMTC financing.

First and Cedar – Seattle, Wash. (National Equity Fund)

JPMorgan Capital Corporation made a \$9.8 million investment to support the construction of an 84-unit building, with 40 units set aside for residents with mental illness and/or chemical dependency. The project also received significant partner funding from King County Department of Community and Human Services. Plymouth Housing Group, an experienced and highly regarded operator of supportive housing in Seattle, will provide on-site case management.

Commons at Buckingham – Columbus, Ohio (National Affordable Housing Trust)

JPMorgan Capital Corporation made a \$7.8 million investment to support the construction of a 100-unit building. Seventy-five percent of the units will be available for "homeless at entry" under Unified Supportive Housing System's Rebuilding Lives program – a joint effort of the Community Shelter Board; the Columbus Metropolitan Housing Authority; and the Alcohol, Drug and Mental Health Board. The remaining 25% of units will be supportive housing, and the residents will receive on-site social services to help them achieve stability in their lives.

The Terraces – New Orleans, La. (National Affordable Housing Trust)

JPMorgan Capital Corporation made a \$34.2 million investment to support the construction of a 200-unit building for older adults. The building is located in a targeted recovery zone considered critical to New Orleans' recovery. Housing remains in short supply, especially following devastation by Hurricane Katrina.

JPMorgan Chase has a long-standing history of excellence and commitment to minority and low- and moderate-income communities, as confirmed by our Community Reinvestment Act ratings and our \$800 billion public commitment results.

Community Reinvestment Act performance

JPMorgan Chase has a strong commitment to the communities in which it does business and brings a wealth of experience to helping meet the credit needs of low- and moderate-income borrowers and neighborhoods in the communities it serves by providing loans, investments and community development services across its banking markets. Each of JPMorgan Chase's subsidiary banks currently has an Outstanding CRA rating.

Our \$800 billion public commitment results (January 2004-December 2009)

Through the first six years of our 10-year, \$800 billion public commitment, JPMorgan Chase has invested \$573 billion, or 71%, in three areas crucial to both minority and lower-income families and communities in the United States: mortgages, small businesses and community development. Key aspects of the \$800 billion public commitment include:

- \$675 billion in mortgages nationwide for both minority and lower-income borrowers and communities, an expansion of credit and mortgage counseling programs frequently in partnership with community-based organizations, and a national community mortgage lending unit that works with community groups to help lower-income consumers buy their first home.

- \$90 billion in loans and investments to assist small businesses and community-based not-for-profit organizations.
- \$35 billion in loans and investments for affordable housing and commercial and economic development in low- and moderate-income communities. This includes \$1 billion for Community Development Financial Institutions.
- A Homeownership Preservation Office that works with community groups to help keep people in their homes.

Through 2009, JPMorgan Chase has made significant progress toward meeting our public commitment, including:

- Mortgage lending of \$438.3 billion (65% of goal).
- Small business lending of \$94.2 billion (105% of goal).
- Community development lending and investing results of \$41.6 billion (119% of goal).

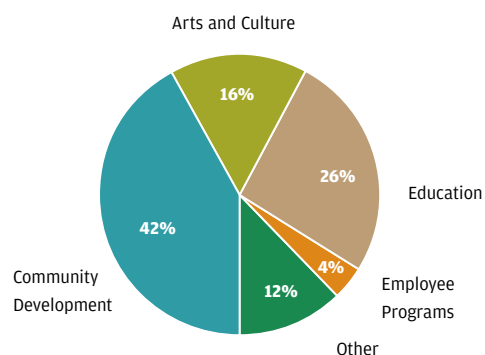
As part of the Homeownership Preservation Office, the bank supports a number of initiatives to assist at-risk homeowners, including the Chase Homeownership Centers and the Chase Real Estate Owned program.

Multiplying our impact through charitable contributions and employee engagement

JPMorgan Chase's philanthropic goal is simple: We strive to be a catalyst for meaningful, positive and sustainable change within our highest-needs neighborhoods and communities across the globe. In 2009, JPMorgan Chase gave more than \$100 million through grants and sponsorships to thousands of not-for-profit organizations around the world.

The JPMorgan Chase Foundation directs the majority of its time, attention and investment toward specific neighborhoods in cities where we have major operations. These neighborhoods typically are among the most challenged areas of major urban centers, defined by unacceptably high rates of poverty and historic disinvestment. The firm's philanthropic investments are directed toward three centers of excellence:

2009 Charitable Contributions¹



¹ Percentages include charitable giving from JPMorgan Chase & Co. and the JPMorgan Chase Foundation

COMMUNITY DEVELOPMENT

Working with best-in-class community-based partners, our goal is to help stabilize families living in high-poverty neighborhoods and to make that stability echo through a neighborhood in a manner that improves educational and job opportunities, reduces crime and dramatically raises the community's quality of life. *What we support:*

- Resident-focused programming, including workforce development, asset building, financial literacy, job training, credit repair, earned income tax credit workshops, homeownership/homebuyer workshops and foreclosure prevention.
- Community-focused programming, including economic planning and development, small business technical assistance and financing, job creation and training, and affordable housing development and preservation.

EDUCATION

We invest in programs and services that increase disadvantaged children's access to high-quality educational opportunities. Our focus is on helping students enrolled in public K-12 schools acquire the knowledge and skills they need to become productive, engaged citizens.

What we support: development of instructional leaders, implementation of innovative curricula and instructional strategies, extended learning opportunities for students and their families, college access initiatives and dissemination of best practices.

ARTS AND CULTURE

Communities thrive when rich cultural resources are readily available and accessible to residents. Through our Arts and Culture grantmaking, we look for opportunities to integrate the arts into children's educational opportunities and position arts organizations and artists as key drivers of local economic renewal.

What we support: arts education programs offered in school and after school that improve student academic performance, initiatives that stimulate the creation and growth of local cultural economies, and programs that increase access to our major cultural arts partners and support their artistic excellence.

In addition to our investments in these areas, throughout 2009, the Global Philanthropy group partnered with strategic community organizations, mobilized volunteers and collaborated with internal business partners to leverage its investments further and increase its positive influence on children, families and communities.

Multiplying impact through collaboration with our business partners

In Columbus, Ohio, Chase Home Lending donated two real estate owned properties located in the Weinland Park neighborhood, which now are part of the portfolio of more than 100 properties targeted for rehabilitation and remarketing to low- and moderate-income families. The donation of homes added to the impact of a \$450,000 JPMorgan Chase Foundation grant to Campus Partners for Community Urban Redevelopment, an active and experienced community development corporation leading the housing stabilization effort. To leverage these investments even further, Chase helped finance a

construction training program targeted toward the certification of currently unemployed Weinland Park residents, who will be part of the construction crews that complete the rehab and construction work.

Multiplying impact through funder collaboratives

Coming together to revitalize New Orleans

In New Orleans, La., the firm has been a leader in convening national, regional and local funding partners in an effort to stabilize and rebuild the Central City neighborhood, one of many areas of New Orleans suffering from the aftermath of destruction caused by hurricanes Katrina and Rita. With the help of our investment and advocacy and the investment of other high-profile philanthropies, including the Annie E. Casey and Ford foundations, the neighborhood is benefiting from a new business incubator and cultural center.

Partnering together in Indianapolis

Our commitment to the Near Eastside community of Indianapolis, Ind., with investments in projects like the John H. Boner Community Center, a one-stop shop for individuals and families, has helped to attract high-profile partners, notably the National Football League (NFL) and its Super Bowl Host Committee, which is planning for the 2012 game to be played in Indiana's capital city. Through its Super Bowl Legacy Project, the NFL is supporting major community projects, including housing redevelopment, education and community centers, and beautification projects.

Breaking ground in the Philippines

In partnership with Bonifacio Art Foundation Inc. and other donors, J.P. Morgan is supporting the development of The Mind Museum, Manila's first world-class science museum. It will be a learning center where students can learn scientific principles and teachers can be instructed on new ways to teach science. It will make science entertaining, fun and engaging and will showcase numerous interactive exhibits and displays. The museum will conduct seminars and symposia on current scientific topics and will feature speakers who will address faculty, students and enthusiasts. It is envisioned to be the hub for gathering resources for better science teaching methods and for networking among scientists in the Philippines and abroad.

Multiplying impact through innovation and new media

Chase Community Giving: *You Decide What Matters*, a grass-roots campaign, was launched on Facebook® in November 2009 to inspire a new approach to corporate philanthropy. Chase enlisted Facebook users, who total over 300 million, to help decide which among 500,000 small and local not-for-profits would receive a total of \$5 million from Chase. The eligible charity receiving the most votes cast by Facebook users was awarded \$1 million.



The charity selected, Invisible Children, is based in San Diego, Calif., and works through the support of U.S. high school and college students to advocate for the rescue of children in Central Africa who have been kidnapped from their homes and forced to serve as soldiers in a civil war in Uganda. The top five runners-up received \$100,000 each, and all 100 finalists were awarded \$25,000 each. Additionally, a special advisory board featuring members who are active in philanthropy, including actress Eva Longoria, Do Something CEO Nancy Lublin and National Basketball Association Hall of Famer David Robinson, allocated a total of \$1 million from Chase to the nominated charities of their choice.

Facebook® is a registered trademark of Facebook Inc.

Multiplying impact with a single grant that addresses common needs facing communities

Driving out hunger

With a \$5 million grant to Feeding America, the nation's leading hunger relief organization, Chase made it possible for the organization to purchase and maintain 34 refrigerated trucks, including 13 mobile pantries, to deliver fresh and nutritious products to families in 19 cities served by Chase. Each truck will enable partner food banks and, when at full operation, will transport up to 40 million pounds of food annually. Additionally, every food bank that received a truck will get United Parcel Service routing software to make all the fleets more efficient and environmentally responsible and to effect cheaper operations.

Chase's donation to Feeding America will cover the costs of purchasing and operating food delivery trucks in the following cities:

Atlanta, Ga.	Miami, Fla.
Dallas, Texas	Milwaukee, Wis.
Denver, Colo.	Newark, N.J.
Detroit, Mich.	New Orleans, La.
Fort Worth, Texas	Orlando, Fla.
Houston, Texas	Phoenix, Ariz.
Indianapolis, Ind.	Seattle, Wash.
Jacksonville, Fla.	Tampa, Fla.
Los Angeles, Calif.	Wilmington, Del.
Mesa, Ariz.	



Helping children throughout China

J.P. Morgan has partnered with the Narada Foundation in China, which promotes the development of public welfare projects and fosters social innovation. The firm is supporting in-school social workers at three new citizen schools in Beijing and at two community centers in the earthquake-stricken Sichuan Province. These centers also will act as a training station where social work majors at universities in Sichuan can take internships and get training, which, ultimately, will upgrade the social worker population in China. In addition, the program will focus on social connection through growth classes, volunteerism schemes, social integration activities, career and life planning programs, and counseling services. Teacher empowerment will be promoted by involving teachers in life education and development projects and in training and communications programs.

J.P. Morgan funding will strengthen and expand a child-centered holistic development program in Beijing from five migrant schools to 10. The firm also is supporting two community centers in Shanghai that provide classes, training and activities for migrant children. Work currently is under way with the Ministry of Civil Affairs to replicate this program in Shanghai. The centers will promote children's rights, art, theater, sports, and other educational and developmental activities; will be staffed mostly by volunteers; and will be used for training and reaching out to parents. J.P. Morgan and Narada hope to raise the social awareness on the migrant children issue, engage public support, showcase migrant children's talents and build their self-confidence.



Alvin Ailey American Dance Theater: National Art of Learning sponsorship

During Ailey's 2009 season, J.P. Morgan proudly presented a sponsorship serving three of the foundation's major cities of focus: New York, Chicago and Boston. Select schools in targeted neighborhoods in each city participated in a weeklong dance residency program for Ailey's signature piece, "Revelations," conducted by Ailey teaching artists. The sponsorship also encompassed AileyCamp, a six-week summer day camp for children between the ages of 11 and 14 from low- and moderate-income neighborhoods. These programs addressed the need for arts education in schools nationwide, as well as offered a safe haven for children during the summer months in a constructive environment.

Multiplying impact through employee volunteerism and technical expertise

Good Works among employees

In 2009, JPMorgan Chase launched the Good Works volunteer team across the United States. Our 400+ volunteer leaders worked with our community partners to create and implement more than 850 company-sponsored teams and led volunteer events during the year. These events ranged from mentoring programs for youth to a “build” with Habitat for Humanity in Dallas, Texas, where over 800 employees built homes over the course of eight consecutive weekends. Employees also volunteered their personal time during 2009, dedicating in excess of 150,000 hours of service. In 2009, 133 employee volunteers participated in the 16th Annual Chicago Cares Serve-a-thon. Volunteers served at George Rogers Clark School, which is located in the community of Austin – one of the JPMorgan Chase Foundation’s focus communities. The school population is composed of 315 students in pre-K through eighth grade. Employee volunteers painted classrooms and hallways and created a mural for the school.

Dallas, Texas: Habitat for Humanity

More than 800 employee volunteers helped to construct Habitat for Humanity homes in the Frazier Court neighborhood of Dallas. This employee commitment to a single community project was complemented by a

JPMorgan Chase Foundation grant to support the cost of construction. The Dallas Area Habitat for Humanity is leveraging more than \$3 million in federal Neighborhood Stabilization Program funds to restore abandoned properties in the neighborhood. The combination of efforts will result in more than 50 green, affordable homes for low-income families in Frazier Court.

Lambeth, United Kingdom: School Mentoring Program

In 2009, two new schools joined the J.P. Morgan School Mentoring Program as part of our community revitalization efforts in Lambeth: Lilian Baylis Technology School and Lambeth Academy. Through the mentoring program, J.P. Morgan employees help students with their academic studies and development of their career aspirations. Mentor numbers increased, with more than 200 J.P. Morgan employee mentors regularly meeting over 300 young people during the school year. The number of mentees now gaining places at top U.K. universities has risen, with many mentors continuing their mentoring relationships with these young people during their university studies.

Multiplying impact with employee giving and matching employees’ donations

In 2009, our U.S. employees pledged nearly \$5 million to 4,500 charitable organizations through the Good Works U.S. employee giving campaign. Additionally, the JPMorgan Chase Foundation matched more than \$2.5 million employee donations to over 5,300 charities around the world as part of the firm’s Matching Gift program.

Haitian earthquake relief

Following the devastating earthquake in Haiti this past January, JPMorgan Chase committed \$1.75 million to the relief and recovery of the country and encouraged employees to contribute to the rescue efforts. In addition to outright gifts totaling \$750,000 for both immediate relief and near-term recovery, those measures included a commitment to match employee donations to the American Red Cross, UNICEF, World Vision and CARE up to a total of \$1 million. More than 14,000 JPMorgan Chase employees globally committed well in excess of the \$1 million target, completely fulfilling the match potential and going beyond it to help those affected by this unprecedented disaster.



More than \$2.75 million was given by JPMorgan Chase and its employees to relief efforts in Haiti.

Multiplying impact worldwide with local partnerships

Assisting disadvantaged children in Germany

Die Arche offers socially disadvantaged children, many of whom are from immigrant backgrounds, somewhere to go after school where they are given attentive care and assistance, served healthy meals, offered skills training and provided a place to spend time during school vacations. They can participate in recreational activities and can take advantage of a quiet place to do homework with supervised help. J.P. Morgan funding has enabled Die Arche to establish a Technology & Computer Literacy program in the charity's newly opened center in Frankfurt. This program has been a vital component of the skills training offered to the children every day.

J.P. Morgan's funding also has helped Ashoka's Youth Venture to expand its program to Frankfurt. Ashoka's Youth Venture inspires and invests in teams of young people to start and lead their own social venture and is building a powerful network of young changemakers across the world. In Frankfurt, the charity is working with young people and teenagers on addressing the multidimensional issues facing the country using their own creativity and innovation. As a result, youngsters who have lost hope and the motivation to study and get an education are helping their communities in "tipping" the local culture toward greater youth leadership and redefining their role as leaders of social change.

African Leadership Academy

The African Leadership Academy recruits young people throughout the African continent to attend its school in South Africa to gain a top education that will assist in their placement into the best higher education institutions around the world. After college, these young leaders are expected to return to their home countries with the intention of transforming the face of Africa over the next few decades. With J.P. Morgan's support, the success during this past academic year has been overwhelming, with 65 out of 88 students being offered places at the world's most prestigious universities; in the United States, every single Ivy League university and most of the top 25 liberal arts colleges admitted at least one student. Most admitted students have received full academic scholarships.

Support a Child Back to School in Taiwan

In August 2009, typhoon Morakot struck areas of Taiwan, killing more than 500 people and destroying in excess of \$1 billion worth of crops and property. Today, roads and homes still are inaccessible in many regions of the country. Tens of thousands of families remain displaced, and food and supplies are scarce. The storm hit right before the new school year began, making it impossible for many children to return to school.

In response, the Taiwan Employee Welfare Committee (EWC) joined with the firm and World Vision Taiwan to launch the Support a Child Back to School initiative. The Taiwan EWC leveraged the firm's communications

resources and financial support to build awareness for the typhoon's victims and to contribute to the rebuilding efforts under way in Pingdong County, one of the affected regions.

As a result of these efforts, the Support a Child Back to School program will cover tuition and expenses for 270 children for one year, purchase computers for a village school and support the construction of a student center, which will create a venue for ongoing community outreach and mentoring programs.

IntoUniversity in London, United Kingdom

J.P. Morgan has been supporting IntoUniversity with the charity's expansion program to reach more disadvantaged and vulnerable children and young people. The firm's support has helped IntoUniversity go from a single-site operation to six sites across London, reaching from 850 children and young people in 2007 to 5,000 by the end of 2011. Funding from J.P. Morgan also is enabling the charity to develop a cluster of model centers, starting in the London borough of Lambeth, so that the program can be scaled up nationally. IntoUniversity was recognized by The Panel on Fair Access to the Professions, and its work was cited in a cross-party report on social mobility, "Unleashing Aspiration."

Multiplying impact through local investments in education and community development

Market	Project	Investment
Dallas, Texas	Growing Community Resources	Big Thought, one of the nation's most recognized not-for-profit organizations received support from JPMorgan Chase for its work in South Dallas. The funding supported an integrated set of projects that promote improving public education, workforce development, professional development, parent engagement, capacity building and instruction in the community hub.
Los Angeles, Calif.	Preparing Students for College	Families in Schools (FIS) received funding from JPMorgan Chase to deliver a related set of college preparation programs at four high-need middle schools in targeted Los Angeles communities. FIS provided a package of intervention programs and strategies that support students and build staff capacity in two areas: parent engagement and the development of a school-to-college-to-career pathway culture.
Miami/Dade Counties, Fla.	Increasing Affordable Housing	Funding was provided by JPMorgan Chase to the Neighborhood Housing Services of South Florida to ensure effective and timely delivery of foreclosure prevention and affordable housing development in Miami and Dade counties. The organization concurrently provided several needed services: foreclosure intervention intakes and loan modifications, post-loan modification counseling, new rental development in Hispanic and Haitian communities, new homeowners in Chase Real Estate Owned program from a bank portfolio using Neighborhood Stabilization Program funds and a first-time homebuyer program.
China	Supporting Children	Half the Sky (HTS) helps enrich the lives and prospects for orphaned children in China with initiatives that include pre-school programs and personalized learning for older children. HTS empowers state-run orphanages by training them in HTS-style programs that nurture children and provide them with the early education necessary for normal development and entry into schools and the wider community. With the help of the firm's grant, HTS is establishing a network of model children's programs and training facilities in every one of China's 31 provinces and municipalities to provide training to 300 Blue Sky orphanages across the country.
India	Improving Children's Lives	Sandipani Gurukul is dedicated to uplifting underprivileged and disadvantaged children in India who come from broken and destitute families. Most of the children have no financial or emotional parental support. J.P. Morgan's grant to the organization has helped it provide children with lodging and send them to local schools. The people at Sandipani Gurukul give the children books and school materials, distribute school uniforms and clothes, provide medical support, and serve breakfast, lunch and dinner. Sandipani Gurukul helps these young people to become responsible citizens and to avoid the fate of ending up as street children, as often is the case in large cities.

Multiplying impact by convening community leaders and sharing insight and technical expertise

Executive Directors Summit: State of California

The JPMorgan Chase Foundation held an Executive Directors Summit in San Francisco, Calif. Nearly 140 not-for-profit leaders attended the conference, hosted by business executives from our various state-wide lines of business. The Summit allowed leaders from best-in-class not-for-profits to network and exchange ideas. Panels and sessions were held on the current challenges and opportunities facing not-for-profits; fundraising; the Chase revitalization program and Chase Real Estate Owned program donations; how the media works; the new Internal Revenue Service Form 990; and succession planning.

Supporting the Celebration of Teaching & Learning Conference

An event designed to inspire teachers now is the subject of a half-hour U.S. public television documentary. Chase has supported the Celebration of Teaching & Learning Conference since its founding in 2005. More than 8,500 educators representing all 50 U.S. states took part in the most recent conference, which is held each March in New York City. The documentary, "Spark of Learning," follows two teachers – a fifth grade social studies teacher from New York City's Harlem, the other a computer instructor from rural Louisiana – throughout the two-day event.

Multiplying our impact through educational philanthropic partnerships

New York Historical Society

J.P. Morgan was the lead sponsor of Lincoln and New York, a groundbreaking exhibition that commemorated the bicentennial of Abraham Lincoln's birth and celebrated the history-altering impact of our revered president. The exhibit featured original artifacts, including interactive video elements, iconic images and photographs, period newspapers, original paintings and sculptures, and handwritten period documents – many of which are written in Lincoln's own hand. The firm's support enabled the New York Historical Society to institute education programs for tens of thousands of New York area teachers and schoolchildren. More than 125,000 New York City teachers and students were reached via gallery tours and in-classroom lessons with curriculum materials.



Students explore Lincoln and New York school programs at the New York Historical Society which reached more than 125,000 teachers and students.

Multiplying impact within local communities

Even within local communities, one investment can have a multiplier effect:

Market	Project	Investment
Chicago, Ill.	Facilitating Safer Schools	In response to recent incidents of crime and youth violence in Chicago, Chase is investing \$2.25 million for the purchase, installation and operation of 90 police observation devices (POD) outside 38 high schools to do our part to give children a safer place to learn. PODs send live feeds to Chicago's 911 Center, deterring harmful behavior and alerting police to locations that may require additional resources.
New York, N.Y.	Preserving Urban Greenspaces	Chase donated \$1 million to the Central Park Conservancy, helping to restore and replant areas of record devastation by a severe storm that hit August 18, 2009. New York City's Mayor Bloomberg recognized tireless efforts of Conservancy workers and Chase's support, which featured 30+ local students from partner schools – Thurgood Marshall Academy and the Young Women's Leadership School in East Harlem – who participated by flagging where trees were lost for replanting efforts.
Dallas, Texas	Revitalizing a Community	Chase donated \$3 million to the Woodall Rodgers Park Foundation. This will transform the park into an important community gathering space that will improve the quality of life in downtown Dallas. It will create an urban greenspace over part of the Woodall Rodgers Freeway in downtown Dallas. Plans include a performance pavilion, restaurant, walking trails, a dog park, a children's discovery garden and playground. The park will promote increased pedestrian, trolley and bicycle use. This donation also will fund free public programming.
London, United Kingdom	Rebuilding Lives	Pathways to Employment (P2E) is a project supported by JPMorgan Chase and provided by St. Mungo's, an established charity for the homeless in the United Kingdom. P2E aims to rebuild the lives of this vulnerable group by focusing on visible quantitative and qualitative change: building soft skills to help people stand on their own and aspire toward a longer-term goal in their lives; integrating them back into society; and, ultimately, through developing their technical skills, bringing them into a form of employment. The firm's support is helping carry out Year 2 of P2E, which is the six-step program to residents in the hostels for on-site vocational guidance to prepare them for their employment aspirations.
Paris, France	Supporting Youth Entrepreneurship	JPMorgan Chase provided a grant of nearly \$175,000 to ADIE, a well-recognized microfinance organization, to fund its CréaJeunes project. CréaJeunes provides microfinance and business development training to suburban youth aged 18 to 30. This program offers financing and technical assistance/training to the financially excluded, "un-banked" and under-privileged youth in and outside Paris.
Cape Town and Johannesburg, South Africa	Improving Educational Opportunities	JPMorgan Chase has partnered with LEAP Science and Maths School to address the inequalities in the South African education system that remain from apartheid education policies. Most LEAP students are black, female South Africans from economically disadvantaged households. JPMorgan Chase works with the organization to identify opportunities to support the LEAP Teacher Training Program. This program aims to recruit 10% of each year's matriculating learners into the training program with the goal of their becoming LEAP's senior management staff and principals of the future.



Promoting environmental sustainability

JPMorgan Chase aspires to be an environmental sustainability leader in the financial services sector by employing its knowledge and capital to help clients, customers and communities operate in a more environmentally sustainable manner and by continuously improving its own resource use.

In the following pages, we describe how JPMorgan Chase contributes to growing renewable energy generation and increased carbon offsetting, how we manage the environmental and social risks in certain financial transactions, and what we are doing to manage the direct impact of our own operations. Much of our activity is driven by business considerations and has positive environmental effects. Some of it goes expressly beyond business rationale to achieve sustainability goals.

Environmental Affairs at JPMorgan Chase

JPMorgan Chase's Office of Environmental Affairs is dedicated to examining environmental issues as they relate to the firm. The office guides the firm's use of natural resources and the management of environmental issues related to our global business activities. The office also engages with various stakeholders, including peers, shareholders, experts in not-for-profits and academicians. The Public Responsibility Committee of the Board of Directors exercises oversight of the Office of Environmental Affairs, which reports to the Head of Corporate Responsibility.

Helping the world transition to a low-carbon economy

Financial services companies can play a key role in helping economies evolve and transform to meet global environmental challenges. J.P. Morgan Chase is working with clients and government policymakers on the transition of the economy from where it is today to where it needs to be in 20 years, including actively participating in the public policy debate about regulating greenhouse gas emissions and natural resource usage. We offer clients extensive advisory, capital raising, research, sales, trading and derivatives capabilities to help them navigate and mitigate the risks associated with climate change and cost-effectively reduce greenhouse gas emissions.

Renewable energy investments

By year-end 2009, the firm had provided financing of \$2.7 billion¹ in renewable energy projects. This was predominantly through tax equity financing. In the same time frame, the firm had raised another \$3.8 billion¹ from other institutions for investment. The portfolio included 58 wind farms as well as a large, concentrated thermal solar project. The total installed capacity of more than 5,800 megawatts can power close to 1.6 million U.S. homes annually. Four of the wind projects (473 megawatts) were funded in 2009.

Renewable energy banking

The Alternative Energy Banking group is focused on assisting clients with all aspects of the energy challenge, including wind, solar, biofuels, nuclear power, transmission and energy efficiency. In 2009, the firm advised on the sale of 2.9 billion euros of renewable and hydro assets in Spain, raised \$460 million in financing for a waste-to-energy company in the United States and filed a stock offering for a U.S. wind services company that was successfully completed in January 2010.

Environmental Markets

The Environmental Markets group, a division of Global Commodities, works with clients to reduce the environmental impact of business and individual activities. Through the origination, trading and distribution of certificates with environmental attributes (e.g.,

carbon/greenhouse gas offsets, emissions allowances, renewable energy credits), the group assists clients to address the present and future challenges and opportunities of environmental regulation, including greenhouse gas policy.

The group has end-to-end capabilities across origination, sales, trading and risk management of carbon credits globally in both the compliance (e.g., European Union Emissions Trading Scheme, Regional Greenhouse Gas Initiative) and voluntary markets.

J.P. Morgan has been active in the carbon markets since 2006 and expanded its capabilities through its acquisition of premier offset provider ClimateCare in 2008 and EcoSecurities in 2009. ClimateCare is a leading carbon offset retailer globally. EcoSecurities is a leader in the development of carbon credits and manages one of the largest, most diversified portfolios of emission reduction projects in the world. EcoSecurities' Certified Emission Reduction portfolio at year-end 2009 was composed of more than 350 projects in 30 countries, using 18 different technologies and having the capability of reducing emissions by up to 101 million metric tons on a net basis through to 2012. In January 2010, EcoSecurities registered its 200th Clean Development Mechanism project.

The group is a leader in sourcing, developing and trading emission reduction credits and has helped clients fund more than 2 million metric tons of emission reductions in the developing world through its voluntary carbon market business.

Case study: Horizon Wind Energy

J.P. Morgan has invested more than \$100 million of tax equity in Horizon Wind Energy's wind power project near Peoria, Ill. Using 67 wind turbines, the project in Illinois should generate nearly 300 million kilowatt hours of clean energy annually, enough to power approximately 30,000 homes. The project also yields significant economic benefits to the surrounding community through purchased goods and services and property tax revenue. Nearly 200 full-time jobs were created during construction of the wind farm. This was J.P. Morgan's 57th U.S. wind farm investment since 2003 and represents its first funding of a renewable energy project under the American Recovery and Reinvestment Act of 2009.

Case Study: ClimateCare

ClimateCare introduced an innovative methodology to reduce greenhouse gas emissions using efficient cookstoves in Uganda and sub-Saharan Africa. In Uganda, the project is expected to reduce 1 million metric tons of carbon dioxide emissions by 2017. In addition to the environmental benefits, the project generates social benefits through reduced smoke inhalation indoors, as well as economic benefits through job creation (e.g., distribution of cookstoves).

¹ This figure is cumulative since 2003.

Research

J.P. Morgan's top-ranked Research Department remained focused on identifying investment ideas in the renewable energy area. In 2009, Research gathered a dozen analysts and strategists to produce a special publication entitled *How Can Renewable Energy Survive?* that explores what the downturn might mean for clean-energy investors. In addition, the flagship publication on the Smart Grid, in October 2009, explored the electricity demand-side management theme in depth and explained why this growth area should remain largely immune to the economic cycle. The Smart Grid report was part of a series of alternative energy theme reports that Research issued leading up to the Copenhagen talks in December 2009. J.P. Morgan also has a dedicated Alternative Energy Research team, with coverage focused on solar, LED and wind companies. In addition to producing regular theme pieces on issues like the impact of subsidies in Germany, this team recently published an authoritative primer on wind stocks.

Public policy

The financial sector is a major stakeholder in the fight against climate change. Engagement and dialogue with international and national governments on the policy process are vital. The firm provides the financial services industry perspective on climate change and renewable energy-related issues to key government policymakers and regulators at the federal, state, local and international levels. We are working to advance the public policy dialogue on the need to reduce greenhouse gas emissions through a market-based federal policy on energy that would address climate change, spur clean technology innovation and reduce uncertainty for investors.

Reviewing business with key environmental issues/risks and participating in external initiatives

Environmental and Social Risk Management

JPMorgan Chase understands that long-term shareholder value is enhanced by operating in a sustainable way, with high standards of ethical business behavior and good business conduct. To this end, we employ the Equator Principles and our own internal policies to conduct comprehensive environmental and social risk assessment of clients and transactions, focusing particularly on sectors that are prone to these risks: oil and gas, mining, forestry and agriculture, infrastructure, heavy manufacturing and power. By assessing and understanding the issues faced by our clients, we often can help them improve their environmental and social performance, as

Developing tools

JPMorgan Chase is one of the main sponsors of the Integrated Biodiversity Assessment Tool (IBAT). IBAT for business is an innovative tool designed to facilitate access to accurate and up-to-date biodiversity information to support critical business decisions. The tool is the result of a groundbreaking conservation partnership between BirdLife International, Conservation International, International Union for Conservation of Nature and the United Nations Environment Programme World Conservation Monitoring Centre. J.P. Morgan's Environmental and Social Risk Management (ESRM) team uses the IBAT tool regularly to identify issues around the world.

Equator Principles

JPMorgan Chase is an associate member of the Equator Principles. While, in general, the firm's business activities do not include project finance, JPMorgan Chase is committed to disclosing reviewed transactions on an annual basis. Representatives of JPMorgan Chase also attend the annual Equator Principles meetings and participate in Equator Principles forums as appropriate.

well as ensure compliance with our own policies. The Environmental and Social Risk Management team reviewed 180 financial transactions in 2009 compared with 67 in 2007 and 126 in 2008.

An online environmental and social risk management training module provides bankers with an overview of the key risks with certain sectors, as well as detailed case studies. It is designed to equip bankers with the skills and knowledge necessary to engage with their clients at an earlier stage on key issues. The training has been completed by a further 6,240 staff in 2009 and more than 9,000 since the training program was introduced in late 2008. It remains required training for staff working on transactions with potential environmental or social risk. We also continue to conduct regular in-person training sessions with key deal teams.

In 2009, J.P. Morgan applied the Equator Principles to the single project finance transaction undertaken by the firm. That loan was in the Europe, Middle East and Africa region to the oil and gas sector and was categorized as Equator Principles Category B. Our broad application of the Equator Principles to non-project finance transactions is summarized in the table to the right.

2009 Transactions Receiving Environmental and Social Risk Management Review

By Sector	Total	Category A	Category B	Category C
Oil and Gas	48	2	18	28
Mining	50	8	29	13
Chemicals	5	0	2	3
Pulp and Paper	7	0	5	2
Forestry	5	0	4	1
Nuclear	2	0	1	1
Power	33	0	15	18
Manufacturing	14	0	5	9
Infrastructure	2	0	0	2
Other	14	1	4	9
Total	180	11	83	86

By Region	Total	U.S./Canada	Latin America	EMEA ¹	Asia Pacific
Category A	11	1	2	0	8
Category B	83	7	16	20	40
Category C	86	15	12	28	31
Total	180	23	30	48	79

¹ EMEA refers to Europe, Middle East and Africa.

Mountaintop removal coal mining in Appalachia

Beginning in November 2008, the Office of Environmental Affairs undertook an in-depth and comprehensive examination of the complex issues associated with mountaintop removal (MTR) coal mining in Appalachia.

As a result, since early 2009, ESRM has undertaken an enhanced review of all proposed banking transactions for companies engaged in MTR. This enhanced review is in addition to the customary diligence employed for companies in the extractive industries and includes considerations of a company's regulatory compliance history, as well as exposure to future regulatory changes and litigation risks, particularly as they relate to valley fills and water quality issues. While the firm does not provide MTR project-specific finance to companies, we do have banking relationships with a few clients that employ MTR. Consequently, the firm considers an enhanced review to be appropriate until such time as the key controversies surrounding MTR are thoroughly addressed. The enhanced review is informed by the regulatory, legal and public discourse on this evolving issue. Additionally,

in 2009, the firm reviewed its business with clients engaged in coal mining activities in Appalachia. During that review, the critical issues associated with MTR coal mining again were discussed with the firm's senior management and the Reputation Risk Committee, resulting in further adjustments to the process around acceptance of certain client engagements.

As the public record reflects, in 2009, JPMorgan Chase did no financing for any company with significant MTR operations.

JPMorgan Chase will continue to follow the actions of federal and state government legislators and regulators tasked with environmental oversight and which bear the primary responsibility for regulating the environmental and social impacts of MTR coal mining. The firm supports the Obama administration's Inter-Agency Task Force on MTR coal mining, which was formed in June 2009. We believe the task force provides the best forum for addressing this complex issue through a fact- and science-based assessment by the appropriate government agencies (the U.S. Environmental Protection Agency (EPA), the U.S. Army Corps of Engineers and the Department of the Interior) complemented by appropriate permitting and diligent enforcement.

We are further encouraged by the April 1, 2010 release from the U.S. EPA of "Detailed Guidance: Improving EPA Review of Appalachian Surface Coal Mining Operations under the Clean Water Act, National Environmental Policy Act and the Environmental Justice Executive Order." This important directive sets forth clearer guidelines for the EPA to better meet its obligation to respond to the growing scientific evidence of the adverse consequences of Appalachian surface coal mining on the region's streams and rivers. This guidance note, which is effective immediately but subject to further review, will likely have significant impact on the MTR permitting process going forward.

The Carbon Principles

JPMorgan Chase adopted the Carbon Principles in February 2008 in partnership with Citigroup and Morgan Stanley, seven leading electric utilities and three environmental organizations in order to better assess the risks in financing greenhouse gas-intensive electricity generation. The principles came into effect in August 2008. Thereafter, JPMorgan Chase began applying the Enhanced Diligence Process to transactions that finance coal-fired power plants for investor-owned utilities and, effective February 2009, for public power and electric cooperatives.

Since their adoption in February 2008, the Carbon Principles and the associated Enhanced Diligence Process have provided a useful framework for discussion with companies, which has better informed our financing decisions as lenders and underwriters to the utility industry. The framework does not set new rules or compliance standards. Rather, the Carbon Principles advance a view that the United States needs a balanced approach to meet its future electric power needs while addressing climate change and carbon cost risks. This balanced approach includes energy efficiency and renewables as important options along with advanced and conventional generation. The Carbon Principles are intended to provide JPMorgan Chase and other signatories a framework to better assess the range of investment options open to power companies, including coal-fired power plants. The impacts of impending legislation, the imposition of a carbon tax (in whatever form it might take) and renewable energy portfolio requirements all are a part of the assessment.

JPMorgan Chase employs the Enhanced Diligence Process in four client coverage banking units: the Power and Utility group, the Public Finance Energy and Environmental group, the Commercial Bank Power group and the Debt Capital Markets group. There are approximately 40 banking officers in these four business units that need to be and are familiar with the provisions and requirements of the Carbon Principles and the Enhanced Diligence Process. Each business unit is responsible for identifying transactions that may be subject to the Enhanced Diligence Process and for ensuring compliance. Working in collaboration with others in the firm, the Office of Environmental Affairs has created, distributed to and discussed training materials on the Enhanced Diligence Process with the relevant banking groups.

Client coverage banking officers have an ongoing dialogue with their clients about a wide range of issues, including their plans to build new generating capacity. The Debt Capital Markets group conducts due diligence sessions with an issuing client around the time of a transaction. As the client coverage and Debt Capital Markets professionals originate, structure and execute all transactions for companies that would be covered by the Carbon Principles, missed transactions are unlikely. In most instances, before any issuance occurs or a new credit facility is established, there will have been multiple opportunities to discuss energy source alternatives and energy-efficiency opportunities with a client.

Client coverage and Debt Capital Markets bankers consult with the Office of Environmental Affairs on issues requiring clarification and report details of transactions for periodic public disclosure.

In 2009, the firm applied the Enhanced Diligence Process to its financing of a general corporate purpose revolving credit facility for one client and seven general corporate purpose bond issues for other clients. We did not participate in any project financing of Carbon Principles-eligible facilities in 2009.

All eight of the 2009 financings were for utility companies with coal-fired power plants already under construction at the time of the transaction. Each of these utility companies had made its fuel source decision long before the financing transaction and, in some cases, well before the implementation of the Carbon Principles. However, a number of these companies also are making investments in renewable energy and/or energy efficiency, and JPMorgan Chase will be seeking to help clients finance those investments as well.

JPMorgan Chase has found the Carbon Principles helpful in advising its clients on the capital and credit markets implications of their energy source decisions. The firm has been, and continues to be, an important source of funding for renewable power generation and expects renewable energy and energy efficiency to become, over time, a valuable part of the generation portfolio of electric utilities.

Case Study: the Carbon Principles

The following is an example of how JPMorgan Chase employs the Carbon Principles in an actual case. Note that the Carbon Principles provide a framework for a conversation or multiple conversations with a client and are not intended to establish requirements for a specific single-occasion discussion.

A leading U.S. electric utility (the Company) issued \$500 million of five-year bonds in early 2009. JPMorgan Chase acted as joint bookrunner for the transaction. The use of proceeds was for refinancing outstanding commercial paper (approximately 75% of proceeds) with the balance for general corporate purposes. JPMorgan Chase arranged a second transaction for the same company later in 2009.

The Company owns and operates multiple coal-fired plants and has two new coal-fired facilities under construction. One facility began construction in January 2008. Upon completion in 2012, four existing coal units at the same site will be retired as will additional older coal-fired generation, making the new facility carbon neutral by 2018. The other facility under construction is in another state and is an integrated gasification combined cycle power plant that converts coal to synthetic gas that then is burned to produce power. An existing (circa 1940) coal-fired plant at the same site will be retired. Approval from the appropriate Utility Regulatory Commission was received in late 2007, and the final air permit was issued in early 2008. Construction began shortly thereafter.

JPMorgan Chase enjoys an active relationship with the Company and regularly meets with its senior management and finance staff. The Company also is considered one of the leaders in the electric utility sector in thinking about and addressing climate change and renewable energy. JPMorgan Chase has had an ongoing dialogue with the Company on the outlook for a “cost of carbon,” and the Company has been incorporating such hypothetical costs into its planning for several years. The Company has been an active participant in the cap and trade and cost of carbon issues in Washington, D.C., and in Europe and is a member of the U.S. Department of Energy's Regional Carbon Sequestration Partnership, which determines the most suitable technologies, infrastructure and regulations needed for carbon capture, storage and sequestration.

JPMorgan Chase considered the following information when conducting its Carbon Principles and Enhanced Diligence Process. The Company:

- Has been included in the Dow Jones Sustainability Index for the past four years.
- Is an active member of the U.S. Climate Action Partnership.
- Is active in renewable energy with six wind power projects in commercial operation. In 2010, the Company plans to build another 200-megawatt wind power project.
- Operates a utility scale solar farm.
- Intends to match a \$22 million grant from the U.S. Department of Energy to design, build and install large-scale batteries to store wind at one of its farms.
- Has selected four sites where solar energy systems will be installed as part of the Company's distributed solar generation program.

- Made a commitment to convert all of its Company vehicles to electric or hybrid.
- Offers a free Home Energy House Call, which is an in-home energy-efficiency analysis for many of the homeowners it services.
- Offers many of its customers coupons on GE Energy Smart light bulbs.
- Offers a program that pays cash rebates to customers who install qualifying high-efficiency heating and cooling equipment in a new or existing home.
- Installed more than 700,000 electric smart meters and 450,000 natural gas smart meters in one state as well as 800,000 smart meters in another.

While not all companies are as progressive, many of our clients consider a “potential cost of carbon” in their new project planning and in their ongoing operations. Additionally, we are finding that, increasingly, clients are including information relevant to our Enhanced Diligence Process in their public disclosure documents and regulatory filings.

As required by the Enhanced Diligence Process, in each of these cases, the firm considered the prospects for, magnitude of and potential impact of a possible carbon charge or tax and discussed with each company its renewable energy and energy-efficiency plans and activities.

Managing the impacts from our operations

JPMorgan Chase seeks to continuously improve how we use resources in order to reduce our environmental footprint, improve operational efficiencies and realize cost savings. Our programs cover the key areas that have environmental impact: energy and water use, green building, air travel, paper use, information technology best practices, food served in our cafeterias and waste management. These efforts are effected on many levels and by various groups within the organization, such as Corporate Real Estate, Sourcing and Procurement, Technology and employee-led Green Teams. The Office of Environmental Affairs works with these groups to develop, implement and communicate the firm's environmental sustainability programs.

Greening our real estate portfolio

Since the energy use in buildings contributes the vast majority of our carbon footprint, energy-efficiency and conservation measures are of utmost importance in addressing our direct impact. Buildings also are the nexus for a variety of other impact considerations such as water use, waste management, cleaning products and construction materials, which, therefore, deserve special consideration.

Corporate headquarters renovation

JPMorgan Chase's headquarters, located in New York City at 270 Park Avenue, is a 50-story, 1.3-million-square-foot office building. The building currently is undergoing a major renovation in five stages. The design seeks to attain the highest sustainability rating – Platinum – for renovations of existing buildings under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System.

Some of the various improvements include a 56,000-gallon rainwater collection tank to save water, 7,000 tinted windows to reduce heat gain, and 16,000 square feet of green-scaped roofs and plazas to reduce urban heat island effect. The renovation of Floors 15–50 is complete, and the renovation of the exterior plaza and the lobby began in the fourth quarter of 2009. The total renovation is expected to be substantially completed by mid-year 2011.

Green branches

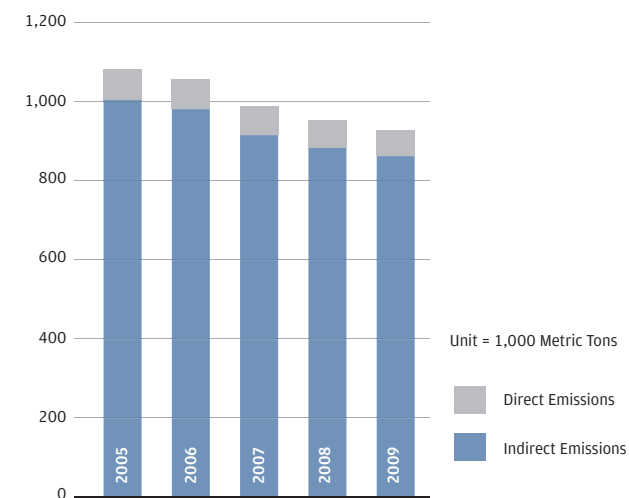
In 2009, Chase continued its Building Green program, bringing the total number of branches built to smart and responsible construction practices to more than 90 at year-end, including 13 LEED certified branches (five fully certified, eight pending certification). These responsible construction practices, which are based on the LEED system, cover the important focus areas for construction such as site selection, energy efficiency, construction and finish materials, indoor environment and water conservation. Chase is proud to apply these standards, which go beyond standard construction practices, as a minimum in all new branch construction. Branch conversions and renovations – for example former WaMu branches – pose a challenge because the shell of the building usually remains unmodified. In such cases and where possible, Chase's Building Green program incorporates many interior finish options that typically improve indoor air quality, use recycled materials and increase energy efficiency.

Making progress on our 20% greenhouse gas reduction target

JPMorgan Chase Corporate Real Estate tracks facility energy and water consumption for buildings under its operational control. In 2008, we increased our goal to reduce our

greenhouse gas emissions from 7% to 20% by 2012 as compared with our 2005 baseline. By year-end 2009, the emissions from more than 3,100 buildings in the United States were 14.3% below the baseline¹ – well on course to meet the target. As we continue to work to meet this target, organizational changes pose a challenge to the way we will need to report emissions going forward (see “Important notes on planned changes to our emissions reporting” on page 36). In addition to optimizing use of space for business needs and implementing energy-efficiency projects, JPMorgan Chase continued purchasing renewable energy credits to support renewable energy generation.

Total Corporate Emissions (2005-2009)²



¹ These figures are for U.S. properties only under the operational control of JPMorgan Chase. The figures do not include heritage Bear Stearns and WaMu properties. Please refer to the “Important notes on planned changes to emissions reporting” on page 36 for planned changes to our reporting methodology, which will be available later this year.

² This percentage does not include Bear Stearns and WaMu properties, which had not been in the portfolio long enough to be included in the figures.

2005-2009 JPMorgan Chase Environmental Indicators (United States)¹

	Unit	2009	2008	2007	2006	2005
Total Corporate Emissions	MT	927,873	952,646	986,869	1,054,749	1,082,749
Indirect Emissions	MT	862,182	882,937	915,346	980,285	1,003,736
CO ₂ Emissions – Electricity	MT	840,815	861,781	892,945	953,384	970,905
CO ₂ Emissions – Steam	MT	20,642	20,375	21,262	25,613	31,632
CO ₂ Emissions – Chilled Water	MT	725	781	1,139	1,288	1,199
Direct Emissions	MT	65,691	69,709	71,523	74,464	79,013
Site Combustion (Gas + Fuel Oil)	MT	39,795	41,533	43,655	43,820	48,280
Fugitive Emissions (Chiller Plants)	MT	19,855	20,498	20,969	22,232	22,726
CO ₂ Emissions – Jet Fuel	MT	6,041	7,678	6,899	8,412	8,007
Total Energy Consumption	GJ	6,486,501	6,710,781	6,887,485	7,331,784	7,638,087
Electricity Consumption	GJ	5,131,841	5,297,853	5,419,680	5,746,026	5,873,739
Electricity Consumption	kWh	1,425,511,352	1,471,625,901	1,505,466,709	1,596,118,337	1,631,594,291
Steam	GJ	330,091	325,812	339,994	409,568	505,817
Chilled Water – Indirect Emissions	GJ	20,363	21,780	30,587	34,971	31,382
Natural Gas	GJ	732,171	760,456	791,990	833,781	919,997
Propane Gas	GJ	559				
Fuel Oil	GJ	45,630	50,606	58,991	30,647	32,754
Chiller Plants – Fugitive Emissions	GJ	138,459	142,940	146,227	155,035	158,480
Jet Fuel	GJ	87,388	111,082	99,806	121,691	115,833
Total Water Consumption	M ³	4,489,985	4,775,832	4,831,585	5,484,003	5,683,725
Employees (Full Time)	No.	137,083	129,700	141,401	140,114	138,590
Surface Area Monitored	RSF	42,049,292	44,034,815	46,780,753	51,323,402	52,859,694
Intensity Indicators						
Total Electricity Consumed						
	kWh/Employee	10,399	11,346	10,647	11,392	11,773
	kWh/RSF	33.9	33.4	32.2	31.1	30.9
Total CO₂						
	Metric Tons/Employee	6.8	7.3	7.0	7.5	7.8
	Metric Tons/RSF	0.0221	0.0216	0.0211	0.0206	0.0205
Renewable Energy Credit Purchases	MWh	200,000	118,000	127,000	95,000	—

1 These figures are for U.S. properties only under the operational control of JPMorgan Chase. The figures do not include heritage Bear Stearns and WaMu properties. Please refer to the “Important notes on planned changes to emissions reporting” on page 36 for planned changes to our reporting methodology, which will be available later this year.

Legend:

MT	Metric Tons
CO ₂	Carbon Dioxide
GJ	Gigajoules
kWh	Kilowatt Hours
M ³	Cubic Meters
No.	Number
RSF	Rentable Square Feet
MWh	Megawatt Hours

Total corporate emissions for 2009

The table to the right shows the impact of the above-noted changes in reporting methodology on total corporate emissions for 2009.

Changes Impact	2009 CO ₂ Metric Tons
JPMorgan Chase Real Estate, Not Including New Acquisitions, such as Bear Stearns and WaMu	927,873
New Acquisitions	216,788
Total JPMorgan Chase Greenhouse Gas Emissions (United States)	1,144,661
Europe, Middle East and Africa	147,892
'Asia Pacific	85,170
Total Corporate Emissions for 2009 (Global)	1,377,723

Important notes on planned changes to emissions reporting

From 2005 to 2009, the firm has reported the emissions from its buildings in the United States only. This is because the emissions generated by those buildings, by far, are the largest share of our total emissions and also for reasons of data quality in our other locations. Later this year, the firm will revise its reporting methodology to include the following new items:

- Emissions from buildings added from any acquisitions, such as Bear Stearns and WaMu in late 2008.
- Emissions from buildings in Europe, the Middle East and Africa.
- Emissions from buildings in Asia Pacific.

Impact of reporting changes

These new inclusions will:

- Add emissions to our base year and the subsequent reporting years, as a result of a larger real estate portfolio.
- Require us to recalculate our 2005 base year emissions (baseline).
- Be included in our disclosure going forward.

These updates are necessary to allow for meaningful comparison of our emission reduction commitment in light of recent additions to the real estate portfolio. The updated results and commentary will be published in due course on our website at www.jpmorganchase.com/environment.

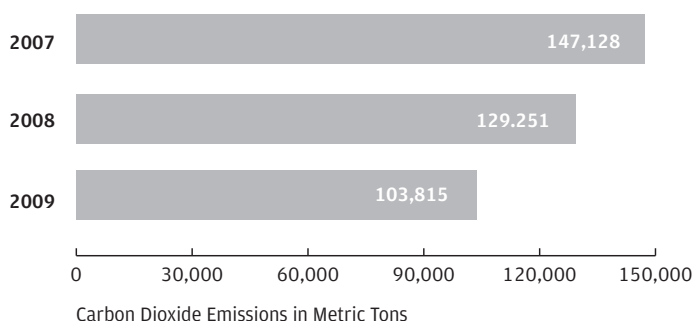
Reduced emissions from employee travel

Employee air travel in 2009 accounted for 103,815 metric tons of CO₂. This represents a drop of 19.7% year-on-year, and we continued the carbon offsetting program we began in 2008 for these emissions.

By end-of-year 2009, JPMorgan Chase had 103 Cisco TelePresence systems in operation, one of the largest of such systems in the world outside of Cisco itself. We estimate this helped avoid approximately 6,000 trips that otherwise would have been made.

		2007	2008	2009
Air Miles Traveled	Miles	738,080,233	642,505,431	509,958,294
Carbon Dioxide Emissions	Metric Tons	147,128	129,251	103,815
Carbon Offsets Purchased	Metric Tons (No Offset Commitment)		142,000	100,000 ¹

¹ Full-year emissions figures for air travel become available in the subsequent year. Carbon offset purchases are made in the reporting year and, therefore, require an estimate of the final quarter's emissions. The difference between the forecast and the actual emissions is either a surplus (as in 2008) or a shortfall (as in 2009). The shortfall of 3,815 metric tons is covered by the surplus offsets from the previous year. However, we will add this shortfall into forecasts for next year's offset purchases.

Carbon Dioxide Emissions

Reducing paper usage and increasing responsible sourcing

Paper use remains a material impact of banking operations despite advances in moving many processes and products from paper to electronic form. Reduction at source, responsible procurement, efficient use and recycling are the main strategies for keeping the impacts of our paper use as low as possible.

Reduction at source

Despite adding a significant footprint from the acquired operations of Bear Stearns and WaMu, JPMorgan Chase was able to keep its overall paper use 4.8% below that of 2008.¹ A number of drivers affected increased paper use, including mailings due to legal regulation, WaMu conversion mailings, and the incremental accounts and statements from WaMu. Sources of paper reduction across the firm include:

- In 2009, JPMorgan Chase took advantage of the U.S. Securities and Exchange Commission's (SEC) Notice and Access rule to allow investors to opt in to receiving a printed copy of the firm's Annual Report. As a result, the firm was able to print 750,000 fewer Annual Reports and Proxy Statements, which saved approximately 7,000 trees and 900 metric tons of CO₂ emissions.²
- Chase continued its paperless statement program, which in 2009 eliminated 130 million statements for retail and credit card customers. Chase Card Services also significantly decreased its direct mail in the first three quarters of the year due to economic conditions.
- Treasury & Securities Services' (TSS) Go Green campaign, launched in 2007, has been highly successful in reducing paper sent to clients. A team of dedicated professionals has reached out to more than 25,000 clients offering support and services to help transition them to a more paperless environment. TSS' Eco Analysis calculators, which quantify the cost savings

of going green, were one of the powerful tools used to demonstrate to clients the benefits of electronic treasury solutions. In just 18 months, JPMorgan Chase has eliminated more than 101 million paper documents (79 million in 2009), which is the equivalent of reducing 3 million pounds (1,360 metric tons) of paper usage. Going forward, the campaign will be expanded to include clients in the Europe, Middle East, Africa and Asia Pacific regions.

- Within our offices, increased coverage of technology programs has led to measurable cuts in office print and copy paper use. For example, in the United Kingdom, the implementation of double-sided printing for all managed print devices led to a reduction in paper usage by 9.3 million sheets of paper, or 29%, against the previous year.

¹ Paper use for 2008 includes that of Bear Stearns and WaMu for periods post-acquisition only. For 2009, it includes the full year of operations from heritage Bear Stearns and WaMu.

² This environmental impact estimate was made using the Environmental Defense Fund Paper Calculator. For more information, visit <http://www.papercalculator.org>.

Responsible procurement

Regardless of absolute paper volumes, responsible procurement of paper was a major success story for JPMorgan Chase in North America in 2009. By incorporating requirements for paper from third-party certified responsibly managed forests into its procurement contracts for commercial paper, JPMorgan Chase was able to increase the amount of paper from certified sources (Forest Stewardship Council (FSC) and Sustainable Forestry Initiative from 8% in 2008 to 70% in 2009. Paper with recycled content also edged up slightly to 33.6% of JPMorgan Chase paper use in North America. For internally used office paper, we made strides by improving the detail and comprehensiveness of our reporting to cover environmental attributes of copy paper and by introducing North America-sourced FSC paper.

United States	2006	2007	2008	2009
Total Paper ¹ (metric tons)	101,698	107,249	76,735	73,630
Percentage Commercial ²	89.38%	91.93%	89.40%	89.43%
Percentage with Recycled Content	6.5%	17.1%	32.4%	33.6%
Percentage from Certified Sources ³	—	—	8.2%	70.7%
Europe, Middle East and Africa	2006	2007	2008	2009
Total Paper (metric tons)	—	—	1,053	758
Asia Pacific	2006	2007	2008	2009
Total Paper (metric tons)	—	539	469	743 ⁴

1 Total paper includes copy paper (used in the office for printing, copying, faxing) and commercial paper.

2 Commercial paper is paper that is used in commercial, customer-facing applications such as for customer statements, new account solicitation and regulatory-driven mailings. Commercial paper includes envelopes.

3 Certified paper includes certifications from the Forest Stewardship Council and the Sustainable Forestry Initiative.

4 The increase in paper volume reported for the Asia Pacific region is mainly due to more comprehensive data that became available as of 2009, which also include reporting on more locations within the region. Overall percentages for recycled content and certified sources currently are available only for the United States. We will aim to improve our reporting going forward to capture this statistic for other regions as well.

Increasing sustainability of our information technology

Information technology plays a crucial role in delivering products and services but also is a material source of energy consumption throughout operations. Advances in technology create substantial opportunities for energy savings.

Data centers

Data centers are an indispensable platform in financial services operations. These centers are the powerhouses that run applications and store the company’s data. While occupying a relatively small fraction of the real estate portfolio in terms of surface area, data centers account for a considerable part of overall energy use.

JPMorgan Chase is pursuing a strategy to reduce overall data center surface area while increasing energy density and efficiency in the remaining space. In 2009, we closed 11 sites, shrinking the footprint from 1.25 million square feet to 1.138 million square feet and removing approximately four megawatts of energy provision. Rigorous reviews are conducted to increase capability and efficiency. Expected benefits from these optimization measures are a flattening of the energy demand curve, operational cost savings, and avoided costs and environmental impacts from avoided additional data center construction. The goals for 2010 are to bring surface area down globally to 1.05 million square feet and to under 870,000 square feet by the end of 2012. JPMorgan Chase was honored for its data center work in the 2009 Global Green 100 by the Uptime Institute.

Desktop computing power

To save energy from desktop computers idling overnight, in 2009, Corporate Technology implemented automated shutdown schedules on 10,000 desktop computers globally, with the majority concentrated in Europe, the Middle East and Africa locations. This saves an estimated 2 million kilowatt hours per year. Our goal for 2010 is to implement shutdown schedules on the majority of desktops (more than 100,000).

Smarter printing

Devices such as personal printers, copiers and fax machines are a common sight in office environments. In late 2008, JPMorgan Chase began its SmartPrint program, whose aim is to enhance productivity and efficiency, limit waste and save energy. The program replaces large numbers of single-function devices with fewer, more efficient multifunction devices. Since program inception, we have removed more than 22,000 old devices (approximately 10,000 in 2009) in the United States and replaced them with approximately 6,000 devices that default to double-sided printing. Once fully implemented, the new fleet will consume 65%-80% less power than the old fleet and is expected to deliver paper savings of 20%-30%.

Redeploying information technology equipment

As a result of the Bear Stearns and WaMu acquisitions, JPMorgan Chase had thousands of unused technology assets (computers, monitors, laptops, printers, BlackBerries and peripherals). In 2009, the firm intro-

duced policy changes and started a program to collect unused technology, place the assets in a centrally managed pool and ensure redeployment whenever possible. In this way, the firm redeployed existing hardware and avoided the life cycle environmental impacts of new equipment purchases.

2009	Monitors	Desktops	Printers	Laptops
Redeployed	10,029	5,348	93	3,758

Recycling

Recycling and waste management typically are front and center in employees' minds when it comes to the environment. The main challenges in putting in place and reporting on a comprehensive program across our facilities, especially in the United States, usually have been the large number of locations and the differing local regulations; the volatility of recycling commodity markets, which determines the economic viability of recycling; and the availability of data on waste output. Currently, office paper recycling is our main program with reportable data on a large scale.

Recycling office paper

Paper documents from our offices account for an important part of non-hazardous solid waste output from facilities. All of our discarded paper business documents around the world are recycled. Through our Global Secure Shred Disposal Program for paper documents, globally we put more than 16,000 metric tons of paper back into the commodity markets for recycling during 2009.

Region	2008 (Metric Tons)	2009 (Metric Tons)
United States and Canada	16,393.0	15,295.8
United Kingdom	1,115.0	751.7
Asia Pacific	240.5	444.6 ¹
Total	17,748.5	16,492.1

¹ 2009 figures are significantly higher because the 2008 numbers include data for seven countries and measurements began mid-year, while reporting for 2009 includes 11 countries and represents the full year.

Cafeteria sustainability programs

Internal sustainability programs also extend to the operations of our cafeterias. The key focus areas are responsible sourcing and recycling. What we purchase for preparation and consumption sends a signal to the marketplace on how and where food should be caught, farmed and transported. Our cafeterias now serve responsibly harvested or farmed seafood (e.g., through adherence to the Monterey Bay Seafood Watch program in the United States) and strive to offer local meat, dairy and produce whenever possible. Working with our suppliers and developing metrics to measure and further implement these practices are priorities for 2010.

In London, food preparation waste from all J.P. Morgan cafeterias now is being composted. The process was introduced part way into 2009, and, by year-end, had composted more than 23 metric tons of food waste. At one of the J.P. Morgan facilities in Bournemouth, United Kingdom, an industrial on-site composter now composts 90% of all the food waste from the kitchens.

Engaging employees and the community

Recycling cell phones

For Earth Day 2009, employees were offered the opportunity to recycle their old cell phones. Reclamation boxes were set up across 75 buildings in 16 states in the United States. More than 1,300 phones were donated, and they were either repurposed for reuse or for materials recovery, with funds generated from the recovery going to one of our partner not-for-profit organizations.

Green Teams

Employee engagement is critical in embedding an environmental sustainability program more widely throughout an organization. Grass-roots, employee-led Green Teams are particularly strong in raising awareness by communicating environmental initiatives to the wider employee population, organizing educational events, and working together with facilities, procurement and other staff to implement sustainability programs. Green Team efforts go above and beyond what is done in the course of corporate and line of business environmental programs. 2009 was an active year for our Green Teams. Here are some of the highlights of their work:

Asia Pacific

Under the leadership of the Hong Kong Go Green team, employees worked to reduce waste at source, to clean up the community and to spread best practices to other locations in the region. The distribution of mugs and cups to employees is expected to avoid the use of 750,000 disposable cups a year. The team initiated a changeover to filtered instead of bottled water in all Hong Kong locations, which is expected to eliminate around 2,000 plastic bottles a month. The team participated in international coastal cleanup action, and 50 employees also made pledges to reduce their personal carbon footprints by joining The Climate Group's Hong Kong Carbon Reduction Campaign.

Europe

The London-based Environmental Initiatives group, one of the longest-standing Green Teams at the firm, focused on improving the effectiveness and reach of existing programs and on raising awareness. The group organized Green Awareness Days, which focused on the firm's contribution to climate change solutions and activities to reduce our carbon footprint. The group ensured that a provision was added to our waste management contracts that stipulates all waste from London buildings is to be recycled or incinerated with waste-to-energy recovery, with none going to landfill.

United States

The Delaware-based Green Team, EcoAllies, demonstrated that spending time on good team organization pays dividends. EcoAllies worked with facilities management to put in place a campus-wide recycling program where there was none before and participated in coastal cleanup and erosion control activities. The team was highly successful in growing its member base and in providing educational resources such as newsletters, vendor fairs, and featured speaker lunch-and-learn sessions.

Corporate Challenge – Green Road Race

The 2009 season continued the environmental focus begun in 2008 under the banner of Teaming Up for a Greener Tomorrow. At all 12 of our Corporate Challenge events in six countries on five continents, we execute best green practices in the following focus areas:

- **Procurement**
Ensuring that all race day supplies (t-shirts, goody bags, runner bib numbers, cleaning materials, hospitality utensils) are environmentally preferable where possible.
- **Waste management**
Promoting proper recycling and trash removal at all events. Avoiding paper waste by ensuring the vast majority of our communications with companies are done electronically.
- **Transportation**
Encouraging all participants to travel to events via provided shuttle transportation; via public transportation; by foot; or via GreenRide, our rideshare program partner in select markets.

The tactics are simple yet meaningful. The finisher t-shirts are printed with soy-based ink, for instance. Registration is 100% online. Shuttle transportation to the race site is provided in many markets. Easily identifiable recycling receptacles are evident throughout the race sites. To ensure proper execution, the Corporate Challenge staff consults with local experts in the environmental field.

The race has received strong third-party endorsement: *Runner's World* magazine honored the event as one of the 10 Greenest U.S. races, and Indalo Yethu, South Africa's environmental campaign, described it as the first-ever "truly green" sporting event in Johannesburg.

Earth Hour

JPMorgan Chase showed its support for meaningful action on climate change by participating in Earth Hour. The level of participation has been rising every year. In 2010, 105 JPMorgan Chase facilities in 49 cities in 27 countries and four continents turned off the lights, joining the global movement that swept across time zones to raise awareness on climate change.

JPMorgan Chase Participation in Earth Hour

	Locations	Cities	Countries	Continents
2010	105	49	27	4
2009	65	35	19	5
2008	2	2	1	1



Supporting our employees and diverse suppliers

At the heart of our business, JPMorgan Chase employs approximately 221,000 men and women in more than 60 countries. To meet the changing needs of this diverse workforce, JPMorgan Chase offers a variety of programs and services related to workplace flexibility, wellness, child and elder care, career development and more.

JPMorgan Chase Workforce Information

Region	2009	Percentage
Domestic Population	175,757	80%
Overseas Population	45,635	20%
Total	221,392	100%

Offering fair rewards and benefits programs

In a time when many companies were freezing or suspending support to their rewards and benefits programs, JPMorgan Chase continued to support key programs, with a particular emphasis on those employees making \$60,000 or less per year. We also modified our pension benefit formula, and, at the same time, we made a long-term commitment to our defined benefit pension plan – contributing \$2.8 billion to the trust in 2009. We matched 401(k) contributions dollar for dollar up to 5% for employees making up to \$250,000 of total annual cash compensation. We announced in February 2009 that salaries above \$60,000 were frozen; there was no such freeze for employees earning less than \$60,000, who also received a one-time \$500 award to their 401(k) accounts. In addition, we have a long-standing practice of charging higher-paid employees more for medical insurance in order to help keep coverage affordable for others.

Helping working families

JPMorgan Chase offers backup child care assistance to its employees via 14 dedicated on-site backup centers, five near-site membership centers and access to more than 2,000 centers operated by our corporate partners. In 2009, 8,372 children used our backup child care programs (a 15% increase from 2008). We also expanded

our program, including extending summer child care programs from two to three weeks (1,485 children participated) and offering free weekend child care to 100 employee families when our businesses were open for weekend work. Higher-paid employees pay more for child care assistance in order to keep costs affordable for others.

Promoting wellness

During 2009, JPMorgan Chase offered comprehensive healthcare coverage and wellness programs for 388,000 employees and their family members, including domestic partners. Selected highlights include 100% coverage on preventive health services; extensive H1N1 education, awareness and prevention strategies; health advocate services that help our employees navigate the healthcare system (such as help in filing an appeal when a claim is denied or locating and scheduling an appointment with a specialist); and personalized health risk assessments and access to health and wellness coaches by phone to help employees meet goals (i.e., lose weight, reduce stress, lower blood pressure, improve fitness, cease smoking). We also operate 20 on-site clinics across the country, offering biometric screenings, flu shots and consultations with nurses.

Helping employees struggling with difficult issues

JPMorgan Chase offers professional counseling, consultation and referral services to help employees, their dependents and/or domestic partner with stress, emotional issues (such as grief, depression and anxiety), alcohol and substance abuse, work-related conflicts, relationship/family issues, and legal and/or financial issues.

In 2009, we created a fund where employees could donate to help fellow employees and their families impacted by devastating floods in the Philippines. More than \$42,000 was raised, which assisted 462 employees. We're working to operationalize this fund in 2010 so that it can be in place to help employees on an as-needed basis when a crisis occurs.

Promoting diversity

JPMorgan Chase continues to value and build a diverse and inclusive workforce. Diversity is a cornerstone of our global corporate culture, and we continue to build upon it by:

- Encouraging managers to develop and maintain a diverse workforce and to identify top talent and build development plans accordingly.
- Seeking a diverse slate of candidates for all key job openings.
- Building a pipeline for diverse talent by working closely with universities and key industry groups, as well as employee referrals.

- Actively involving our people – through Employee Networking Groups, annual forums, open discussions with senior leaders, input on multicultural marketing efforts and partnering on community activities.
- Offering a comprehensive set of policies, programs and benefits to meet the changing needs of our diverse workforce.

In the United States, 44% of our employees are of black, Hispanic, Asian or Native American heritage. In addition, diverse individuals make up more than half of our total hires and 18% of our executive hires.

	White	Black/ African-American	Hispanic/ Latino	Asian	American Indian/ Alaska Native	Native Hawaiian/ Other Pacific	Two or More Races	Total	U.S. Female Representation
Executive/Senior Level Officials and Managers	90.7%	2.3%	2.7%	4.2%	0.1%	0.0%	0.0%	1.4%	23.4%
First/Mid-level Officials and Managers	67.9%	11.3%	12.3%	7.8%	0.3%	0.1%	0.3%	19.0%	54.7%
Professional	62.0%	9.6%	13.0%	14.4%	0.3%	0.2%	0.5%	28.3%	44.6%
All Other	48.2%	22.6%	20.6%	6.9%	0.4%	0.3%	1.0%	51.3%	70.1%
Total	56.5%	16.5%	16.6%	9.1%	0.3%	0.2%	0.7%	100.0%	59.3%

Source: Equal Employment Opportunity – Tier 1 (EEO-1) data. All Other is a combination of the following EEO-1 job categories: technicians, sales workers, office and clerical staff, craft workers (skilled), operatives (semiskilled), laborers and service workers. Figures may not total 100% due to rounding.

Employee networking groups

We have more than 130 active chapters of our diversity Employee Networking Groups across 19 states and four international locations – offering leadership and career development opportunities to approximately 30,000 members. Employee Networking Groups also serve as active volunteers, advocates and recruiters in our key markets, connecting the firm's employees, products and services to the unique communities they represent. Our Employee Networking Groups – each of which has sponsorship from a member of JPMorgan Chase's senior management team – include:

- **Access Ability**, a resource for employees (or a family member) with disabilities.
- **Adelante**, promoting the development of Latino/Hispanic employees.
- **AsPIRE**, seeking to enhance leadership opportunities for those of Asian/Pacific Islander heritage.
- **N.A.T.I.O.N.S.**, building alliances among people of Native American heritage.
- **PRIDE**, supporting workplace fairness for lesbian, gay, bisexual and transgender (LGBT) employees.
- **Sage**, an information and development forum for administrative staff.
- **ujima**, a forum for employees of African descent.
- **WIN**, the women's network, addressing topics of interest to women across the firm.
- **Women of Color Connections**, promoting awareness of the challenges experienced by women of color.
- **Working Families Network**, helping employees balance family and career needs while contributing to the firm's success.

JPMorgan Chase hosts events throughout the year for personal and professional development, for better understanding among people and as a way to increase networking across our lines of business.

In 2009, the JPMorgan Chase Foundation co-sponsored a research study by the Executive Leadership Council. The study researched the success factors and impediments for black women executives as they aspire to the most senior positions in corporate America. It included interviews with 76 black women executives, 18 CEOs and 38 peers.

We actively recruit a diverse slate of candidates at the college and M.B.A. levels with top schools across the globe, including Historically Black Colleges and Universities in the United States. We also identify highly qualified candidates through our partnerships with a variety of professional associations, including: Association of Latino Professionals in Finance & Accounting; Black Data Processing Associates; Financial Women's Association; Hispanic Alliance for Career Enhancement; National Action Council for Minorities in Engineering; National Association of Black Accountants; National Black MBA Association; National Business and Disability Council; National Gay & Lesbian Chamber of Commerce; National Society for Hispanic Professionals; National Society of Hispanic MBAs; and Upwardly Global.

Many diverse candidates begin their career at JPMorgan Chase through one of our internship programs, made possible through our relationships with these organizations: The Consortium for Graduate Study in Management; INROADS; The Robert A. Toigo Foundation; Sponsors for Educational Opportunity (in the United States and the United Kingdom); and the United College Negro Fund Corporate Scholars Program.

Expanding and diversifying our network of suppliers


Supplier diversity ensures that qualified diverse businesses have opportunities to compete for JPMorgan Chase contracts. We do this by cultivating relationships with firms owned and operated by minorities, women, veterans, service disabled veterans and lesbian/gay/bisexual/transgender individuals.

By doing so, we help diverse businesses grow and prosper while ensuring the firm has access to a full range of new and innovative products and services at competitive prices. By doing business with diverse suppliers, we also add value to the communities and generate value for our shareholders. Additionally, it keeps JPMorgan Chase competitive in the marketplaces where customers place distinguished value on these efforts.

We continue to be a leader in supplier diversity. Despite an overall reduction in 2009 firmwide spending, JPMorgan Chase grew annual spending with diverse suppliers to more than \$1 billion. We have achieved this significant accomplishment two years in a row and are committed to maintaining this unprecedented engagement of diverse suppliers going forward.

Diverse suppliers continue to play critical roles in driving value to our clients. In 2009, diverse suppliers were instrumental in the conversion of our West Coast branch network. We also significantly increased our spending in the legal area, bringing on diverse law firms not previously used in prior years. We also have been partnering with the Office of Environmental Affairs, with our first success in identifying a diverse supplier to supply paper from certified sources.

To assist us in meeting our supplier diversity goals, we continue to enlist the support of organizations such as the National Minority Supplier Development Council (NMSDC), Women's Business Enterprise National Council, U.S. Hispanic Chamber of Commerce and the National Gay & Lesbian Chamber of Commerce. We also continue to be an active member of the Financial Services Roundtable of the NMSDC, a networking group of banking and insurance companies dedicated to the growth and development of diverse businesses.



Maintaining strong governance practices and promoting a culture of “doing the right thing”

At JPMorgan Chase, we strive to conduct our business with integrity and have built a strong governance framework.

Board of Directors

We are proud of the 200-year tradition of integrity on which this firm is built, and we have the utmost confidence in the governance provided by our Board of Directors. Our Board is a balanced and diverse group of leaders and is highly independent and well-equipped to carry out its functions as a governing body on behalf of stockholders. The Board’s Corporate Governance Principles and the charters of the principal Board committees form the framework for governance of the firm. The framework reflects New York Stock Exchange listing standards, as well as regulatory requirements, and rests on a foundation of long-standing governance principles of the firm and its predecessors. The Corporate Governance Principles, the charters of the principal Board committees, the Code of Conduct and the Code of Ethics for Finance Professionals are summarized below but can be found in more detail on our website at www.jpmorganchase.com under “Governance” under the “About Us” tab. Further information about our Board of Directors and Governance is contained in our 2010 Proxy Statement.

Board composition

- There are a total of 11 directors.
- Ten of 11 directors are independent.
- Two of 11 directors are women.
- One of 11 directors is African-American.

Board committees and charters

There are five principal Board committees, including the Audit Committee, the Compensation & Management Development Committee, the Corporate Governance & Nominating Committee, the Public Responsibility Committee and the Risk Policy Committee.

The Public Responsibility Committee reviews and considers the firm’s position and practices on charitable contributions, community development, legislation, protection of the environment, shareholder proposals involving issues of public interest and public responsibility, and other similar issues on which JPMorgan Chase relates to the community at large and provides guidance to management and the Board as appropriate.

In furtherance of its mission, the committee, to the extent not considered by other committees:

We promote a culture of “doing the right thing,” which is informed by our Code of Conduct and adherence to other stated principles regarding ethics and reputation and fiduciary risk, as well as human rights.

Code of Conduct

- Reviews strategy and budget with respect to charitable contributions and projects undertaken to improve the communities served by the firm.
- Reviews the community reinvestment activities of the firm, including the firm's progress under community development programs.
- Reviews mortgage lending activities of the firm in light of its obligations under the Home Mortgage Disclosure Act.
- Reviews legislative developments of significance to the firm.
- Reviews the environmentally related policies and activities of the firm.
- Reviews shareholder proposals involving issues of public interest and public responsibility.

All non-management directors, including all members of the principal Board committees, are independent for the purpose of New York Stock Exchange corporate governance listing standards and within the meaning of the regulations of the U.S. Securities and Exchange Commission.

The JPMorgan Chase Code of Conduct is a collection of rules and policy statements intended to assist employees and directors in making decisions about their conduct in relation to the firm's business. The code is based on our fundamental understanding that no one should ever sacrifice integrity – or give the impression that he or she has – even if one thinks it would help the firm's business. The code requires prompt reporting of any known or suspected violation of the code, any internal firm policy, or any law or regulation applicable to the firm's business. The code requires reporting of any illegal conduct, or conduct that violates the underlying principles of the code, by any of our customers, suppliers, contract workers, business partners or agents.

The code covers a range of topics, including diversity, fair dealing and respect for human rights, privacy, bribery and foreign corrupt practices, money laundering, and political activities and contributions. All employees and directors must provide an annual affirmation that they have read, understand and are in compliance with the code. In addition, all employees are required to complete annual training on the code. Some lines of business incorporate specific human rights training into their training programs; for example: Human rights is included in an e-learning training module offered to

new managers in the Investment Bank; the Human Rights Statement is included as part of e-learning on the Treasury & Securities Services intranet site for new hires and accessible to all Treasury & Securities Services employees; and more than 6,250 employees completed Environmental and Social Risk Management training in the Investment Bank in 2009.

Code of Ethics for Finance Professionals

The purpose of the Code of Ethics for Finance Professionals is to promote honest and ethical conduct and compliance with the law, particularly as related to the maintenance of the firm's financial books and records and the preparation of its financial statements. This code applies to the Chief Executive Officer, President, Chief Financial Officer and Chief Accounting Officer and to all other professionals of the firm worldwide serving in a finance, accounting, corporate treasury, tax or investor relations role.

Reputation and fiduciary risk management

Reputation risk

A firm’s success depends not only on its prudent management of the liquidity, credit, market and operational risks that are part of its business risks but equally on the maintenance among many constituents – clients, investors and regulators, as well as the general public – of a reputation for business practices of the highest quality. Attention to reputation always has been a key aspect of the firm’s practices, and maintenance of the firm’s reputation is the responsibility of everyone at the firm. JPMorgan Chase bolsters this individual responsibility in many ways, including through the firm’s Code of Conduct, training, adherence to policies and procedures, and oversight functions that approve transactions. These oversight functions include lines-of-business risk committees; a Conflicts Office, which examines wholesale transactions with the potential to create conflicts of interest for the firm; and a Reputation Risk Office and regional Reputation Risk committees, which review certain transactions that have the potential to adversely affect the firm’s reputation. These regional committees, whose members are senior representatives of businesses and control functions in the region, focus, among other things, on complex derivatives and structured finance transactions with clients with the goal that these transactions not be used to mislead a client’s investors or others.

Fiduciary risk

The Risk Management committees within each line of business include in their mandate oversight of the legal, reputation and, where appropriate, fiduciary risks in their businesses that may produce significant losses or reputational damage. The Fiduciary Risk Management function works with the relevant line-of-business risk committees, with the goal of ensuring that businesses providing investment or risk management products or services that give rise to fiduciary duties to clients perform at the appropriate standard relative to their fiduciary relationship with a client. Topics of particular focus are the policies and practices that address a business’ responsibilities to a client, including client suitability determination; disclosure obligations and communications; and performance expectations with respect to risk management products or services being provided. In this way, the relevant line-of-business risk committees, together with the Fiduciary Risk Management function, provide oversight of the firm’s efforts to monitor, measure and control the risks that may arise in the delivery of products or services to clients that give rise to such fiduciary duties, as well as those stemming from any of the firm’s fiduciary responsibilities to employees under the firm’s various employee benefit plans.

Human rights

In 2008, JPMorgan Chase adopted and published the following Human Rights Statement in support of the fundamental principles of human rights:

JPMorgan Chase supports fundamental principles of human rights across all our lines of business and in each region of the world in which we operate. JPMorgan Chase’s respect for the protection and preservation of human rights is guided by the principles set forth in the United Nations Universal Declaration of Human Rights.

JPMorgan Chase’s relationships with our employees, clients and suppliers, and with the countries and communities in which we operate, are intended to reflect the principles, policies, codes and accords set forth and referred to in this Human Rights Statement. Our conviction with respect to responsible, honest and ethical behavior informs our Code of Conduct, and the character of our company is defined by the personal integrity and honesty of our employees.

JPMorgan Chase is a signatory to the United Nations Environment Program Finance Initiative, has adopted the Wolfsberg Principles and is one of the founders of the Carbon Principles for understanding carbon risk. Our asset management business has adopted the United Nations Principles for Responsible Investment and the Extractive Industries Transparency Initiative. JPMorgan Chase has adopted an Environmental and Social Risk Management Policy that includes implementation of the Equator Principles for certain transactions and that, through the International Finance Corporation’s environ-

mental and social Performance Standards, addresses issues such as labor and working conditions, community health and safety, land acquisitions and resettlement, and the treatment of indigenous peoples.

JPMorgan Chase believes it is the role of government in each country to protect the human rights, including the safety and security, of its citizens. However, we believe we can play a constructive role in helping to promote respect for human rights by our own actions and by seeking to engage with the governments of the countries with which and in which we operate.

JPMorgan Chase complies with applicable international and local legal requirements in the countries in which we operate. Where local law conflicts with the principles contained in this Human Rights Statement, JPMorgan Chase complies with local requirements while, at the same time, seeking ways to uphold the principles set forth in this Human Rights Statement.

While JPMorgan Chase recognizes that it is the responsibility of each client and supplier to define its own policy and approach to the issue of human rights, we believe such relationships provide an opportunity for the development of best practices relating to the promotion of human rights. In our client relationships, we seek to incorporate respect for human rights and demonstrate a commitment to fundamental principles of human rights through our own behavior. We seek to engage with suppliers whose values and business principles are consistent with our own and, through our procurement policies and standards, seek to encourage behavior by our suppliers that is consistent with the principles set forth in this Human Rights Statement.

JPMorgan Chase is committed to respecting the human rights of our employees through our internal employment policies and practices, such as our Global Privacy Policy, which protects the personal information of employees and our health, family care and diversity plans and programs.

As part of our broad effort to ensure that respect for human rights is integrated into the business of the firm, JPMorgan Chase has adopted policies and procedures designed to ensure compliance with legal requirements and which seek to prevent our products and services from being used for improper purposes. Such policies and procedures include those contained in our Code of Conduct, anti-corruption, anti-money laundering, anti-bribery, Know Your Customer and counterterror financing policies. JPMorgan Chase is additionally subject to laws and regulations prohibiting commerce with certain countries, organizations and individuals.

JPMorgan Chase’s support for the protection and preservation of human rights reflects our core values. We recognize that this must be a continuing effort, with ongoing work to reassess our practices and our approach in light of changing global circumstances and an evolving global policy environment. We are dedicated to exemplifying good corporate citizenship through our commitment to respecting human rights and through our broader commitment to corporate responsibility generally.

We engage with our various stakeholders, including shareholders, employees, clients, government, communities and community organizations, as well as suppliers.

Shareholders

We recognize the importance of shareholder communications to help our investors understand our performance and strategy. We reach out to shareholders in many different ways, including quarterly earnings presentations, SEC filings, web communications and investor meetings. In addition, our senior executives engage the shareholders more informally as part of a semiannual outreach program to invite comments on governance matters, executive compensation and shareholder proposals. We meet throughout the year with shareholders and organizations interested in our practices.

Employees

JPMorgan Chase engages its employees through a variety of channels, including our corporate intranet, town hall meetings and email and through *INK*, our employee newsletter, which is provided in print for those U.S. employees who don't have access to the intranet.

Government

As governments in the United States and around the world face a range of economic and social challenges, JPMorgan Chase is committed to supporting the development of thoughtful public policy by working with federal, state, local and international governments as a constructive participant in the legislative and regulatory process.

Never has this commitment been more important than over the past two years. At the height of the global financial crisis, our firm worked with leaders in Washington, D.C., to stave off the collapse of the financial system, including our acquisitions of Bear Stearns and WaMu when those firms faced potential insolvency. In similar fashion, our firm worked closely with leaders in government to advance key policy priorities, including mortgage modification for hundreds of thousands of homeowners so they could stay in their homes and new

policies and approaches to help small business owners, as well as ideas to support greater efficiencies in the delivery of healthcare services. We also provide billions of dollars in loans to local governments, public institutions and critical not-for-profit organizations, all of which are helping organizations serve communities nationwide.

Through these various engagements with government, JPMorgan Chase is fulfilling its responsibility to advance the public goals of economic growth and stability – goals that we believe are fundamental to the well-being of our firm and the long-term interests of all of our stakeholders.

Communities

JPMorgan Chase has established a Community Advisory Board (CAB) whose members include community leaders of not-for-profit organizations in its major bank markets. CAB members provide valuable insight on local community development needs, offer feedback on local initiatives and serve as partners in the community. There currently are more than 125 CAB members, including representation from all of Chase’s key deposit markets. JPMorgan Chase also seeks to build relationships with other community stakeholders, including community advocates, governmental representatives and civic leaders.

In addition, Chase engages with a number of community development partners whose programs and policies are designed to strengthen low- and moderate-income communities. Those groups broadly include:

- Community development not-for-profits and/or coalitions with a focus on affordable housing, economic development, revitalization of low- and moderate-income communities areas, and community development services.
- Community development corporations and community development financial institutions.
- Public policy advocacy groups that broadly impact low- and moderate-income communities and populations.
- Socially conscious investors.

Suppliers

Suppliers doing business with JPMorgan Chase must adhere to the JPMorgan Chase Supplier Code of Conduct. The Supplier Code of Conduct is incorporated into and enforceable under all sourcing contracts and is publicly available. The code sets forth certain minimum requirements that JPMorgan Chase has for its suppliers and supplier personnel. Suppliers are required to conduct their business in full compliance with both the letter and the spirit of the law and the Supplier Code of Conduct. Suppliers are required to notify their employees, suppliers and subcontractors of the code and do what is necessary to ensure that supplier personnel comply with the code in a timely manner.

The code covers corporate responsibility areas such as human rights and work conditions, including child labor, compensation, working hours and conditions, health and safety, discrimination and diversity, and environmental concerns. Suppliers are required to provide a written affirmation that they have read and understand the code and will comply with it. Failure to comply with the code may result in discontinuance of current, as well as future, business relationships. The Supplier Code of Conduct can be found on the website at www.jpmorganchase.com under “Suppliers” under the “About Us” tab.

Awards and recognition

The marketplace has recognized our progress with the following awards:

Awards

- **Top Companies for Executive Women (National Association for Female Executives)** by *Working Mother* magazine, 2009.
- **Top 100 Employers for LGBT Workplace Equality** by the Stonewall organization (United Kingdom), 2009.
- **Most Admired Companies** by *Fortune* magazine, 2009.
- **Top 50 Companies for Diversity** by *DiversityInc* magazine, 2009 and previous eight years.
- **Top 100 Companies for Working Parents** by *Working Mother* magazine, 2009 and previous 14 years.
- **100% rating on the Corporate Equality Index**, measuring treatment of lesbian, gay, bisexual and transgender employees and customers. Perfect score since inception of this recognition in 2001.
- **Top 50 Employers for Women in U.K.** by *The Times* newspaper, 2009 and previous three years.
- **50 Out Front Companies for Diversity Leadership** by *Diversity MBA* magazine, 2009.
- **Diversity Elite** list by *Hispanic Business* magazine, 2009 and previous two years.
- **Top 10 Companies for Recruiting and Retention** by *DiversityInc* magazine, 2009.
- **Top 10 Companies for Retention Practices & Recruiting Strategies** by *Diversity MBA* magazine, 2009.
- **Top 10 Companies for African-Americans** by *DiversityInc* magazine, 2009.
- J.P. Morgan received the President's Volunteer Service Award for its support of Grameen Foundation's Bankers without Borders® initiative.

Environmental awards

- JPMorgan Chase was recognized in the Carbon Disclosure Leadership Index for the Standard & Poor's 500.
- JPMorgan Chase scored 42 out of 500 and was fourth in finance in *Newsweek's* Green Rankings 2009 list.
- JPMorgan Chase was recognized by the Uptime Institute in the 2009 Global Green 100 for integral commitment to and progress toward reducing energy consumption and carbon footprint of enterprise computing and data centers.
- J.P. Morgan received the top spot in two of *Energy Risk* magazine's Environmental Rankings: Best Investment Bank for Green Energy Project Finance; and Green Energy Funds/Indices, 2009.
- J.P. Morgan received the Innovation of the Year award from *Energy Risk* magazine for ClimateCare's efficient cookstoves project, 2009.
- J.P. Morgan was classified as a Brand Emissions Leader by ENDS Carbon.¹
- *Environmental Finance* magazine readers voted ClimateCare Best Offset Retailer and Best Trading Company, 2009.
- *Environmental Finance* magazine voted EcoSecurities Best Project Developer – Voluntary Markets, 2009.
- The treadle pump project, an irrigation product for subsistence farmers in India, was awarded the Outstanding Achievement Award at the Ashden Awards, 2009.

¹ ENDS Carbon is an independent guide to the voluntary carbon market.

About this report

In this report, we provide an overview of our corporate responsibility activities and performance across our lines of business and operations. The report covers a wide range of activities and issues that we believe are most important to our various stakeholders.

The Office of Corporate Responsibility at JPMorgan Chase is headed by Bill Daley, a member of the firm's Operating Committee. The office includes Community Relations, Global Government Relations & Public Policy, the JPMorgan Chase Foundation and the Office of Environmental Affairs. The Office of Corporate Responsibility partners closely with all six lines of business as well as our corporate groups. Many of our policies and practices go beyond what is legally required and are driven by our businesses' strategy, values and culture (as noted throughout the report). In determining the content of this report, the Office of Corporate Responsibility performed an inventory of activities and various policies/procedures across our lines of business. Content was informed by input from members of the Office of Corporate Responsibility and our business partners who interact with key stakeholders on a regular basis; the firm's values, strategies, priorities and

operating environment; and the requirements set forth in the Global Reporting Initiative (G3) Guidelines. We have noted throughout the report where specific limitations apply. We believe that the report presents a balanced and accurate representation of our activities, programs and policies on key corporate responsibility topics. We encourage our stakeholders to provide feedback so that we can continue to evolve our reporting in the future.

We are self-declaring a GRI G3 Application Level of B for this report. The guidelines provide a universally applicable framework for sustainability disclosure. More information on the GRI G3 is available on the GRI website at www.globalreporting.org/Home.

This report covers January 1, 2009 through December 31, 2009 unless otherwise noted. More detailed and current information is available on our website at www.jpmorganchase.com. The last report was published in the spring of 2009, covering the period January 1, 2008 through December 31, 2008.

This information may not be copied, used, or distributed without J.P. Morgan Chase's prior written approval.

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Office of Corporate Responsibility

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Financial information about JPMorgan Chase & Co. can
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Directors

To contact any of the Board members or committee
chairs, the Presiding Director or the non-management
Directors as a group, please email:
corporate.secretary@jpmchase.com.

Or you may mail correspondence to:
JPMorgan Chase & Co.
Attention (Board member(s))
Office of the Secretary
270 Park Avenue
New York, NY 10017-2070

JPMorgan Chase Global Reporting Initiative G3 Index

The table below provides information on the use of the Global Reporting Initiative (GRI) G3 Guidelines. We are self-declaring a “B” Application Level. With regard to the location of specific information, we refer to relevant pages of our 2009 Corporate Responsibility Report, 2009 Annual Report, 2009 Proxy Statement or where otherwise noted. All of the noted documents are available on our website at www.jpmorganchase.com.

GRI Disclosure		Type	Location/Notes
STRATEGY AND ANALYSIS			
1.1	CEO statement		p 2 pp 2-37; 2009 Annual Report
1.2	Description of key impacts, risks and opportunities		pp 2-3, 6-7, 27, 29-32, 34, 39-40, 49-50
ORGANIZATIONAL PROFILE			
2.1	Name of organization		p 47; 2009 Annual Report
2.2	Primary brands, products and/or services		pp 47-48; 2009 Annual Report
2.3	Operational structure		pp 47-48; 2009 Annual Report p 272; 2009 Form 10-K
2.4	Location of headquarters		p 55
2.5	Number and names of countries of operation		pp 47, 113, 244; 2009 Annual Report Asset Management Commercial Banking Investment Bank Treasury Services
2.6	Nature of ownership and legal form		p 47; 2009 Annual Report p 11; 2009 Proxy Statement
2.7	Markets served		pp 47-48, 38-39, 41-42, 244; 2009 Annual Report
2.8	Scale of the reporting organization		p 43 pp 16, 47-48, 53, 90; 2009 Annual Report p 11; 2009 Proxy Statement
2.9	Significant changes during reporting period regarding size, structure or ownership		p 151; 2009 Annual Report
2.10	Awards received in the reporting period		p 53
REPORT PARAMETERS			
Report Profile			
3.1	Reporting period		p 54
3.2	Date of most recent previous report (if any)		May 2009

GRI Disclosure		Type	Location/Notes
3.3	Reporting cycle		Annual
3.4	Contact point for questions		p 55
Report Scope and Boundary			
3.5	Process for defining report content		pp 51-52
3.6	Boundary of the report		pp 36, 54
3.7	Limitations on the scope or boundary of the report		p 36
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that could affect comparability from period to period and/or between organizations		pp 34-36 pp 53-57; 2009 Annual Report
3.9	Data measurement techniques and the bases of calculations		pp 34-40; 44
3.10	Explanation of the effect of any restatements of information provided in earlier reports and the reasons for such restatement		pp 34-36 pp 53-57; 2009 Annual Report
3.11	Significant changes from previous reporting period in the scope, boundary or measurement methods applied in the report		pp 34-40 pp 53-57; 2009 Annual Report
GRI Content Index			
3.12	GRI Content Index		pp 56-65
Assurance			
3.13	Policy and current practice with regard to seeking external assurance for the report		Report not assured by a third party
GOVERNANCE, COMMITMENTS AND ENGAGEMENT			
Governance			
4.1	Governance structure of the organization (including committees under the Board of Directors ("Board"))		pp 5-8; 2009 Proxy Statement
4.2	Indication of whether the chair of the Board also is an executive officer		p 6; 2009 Proxy Statement
4.3	Stated number of members of the Board that are independent/non-executive members		p 47 p 6; 2009 Proxy Statement
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the Board		pp 51, 55 pp 1, 7, 32-41; 42-44; 2009 Proxy Statement

GRI Disclosure	Type	Location/Notes
4.5	Linkage between compensation for the Board, senior managers and executives (including departure arrangements) and the organization's performance (including environmental and social performance)	pp 17-21; 2009 Annual Report pp 9, 12-21, 50-52; 2009 Proxy Statement
4.6	Process in place for the Board to ensure conflicts of interest are avoided	p 8; 2009 Proxy Statement
4.7	Process for determining the qualifications and expertise of the members of the Board for guiding the firm's strategy on economic, environmental and social topics	pp 47-48 pp 1, 8; 2009 Proxy Statement
4.8	Mission statements, codes of conduct and principles relevant to economic, environmental and social performance and the status of implementation of each	pp 29-30; 48-50
4.9	Board procedures for overseeing the identification and management of economic, environmental and social performance, including relevant risks	pp 27; 47-50 p 9; 2009 Proxy Statement
	and opportunities, and adherence or compliance with internationally agreed upon standards, codes of conduct and principles	
4.10	Processes for evaluating the Board's own performance, particularly with respect to economic, environmental and social performance	Charters of the Corporate Governance & Nominating Committee and the Public Responsibility Committee
Commitments to External Initiatives		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	pp 29-30; 32 pp 94-102; 2009 Annual Report
4.12	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses	pp 29, 31-34; 37-38; 40, 42, 50
4.13	Memberships in associations and/or national or international advocacy organizations in which the organization has positions in governance bodies; participates in projects or committees; provides substantive funding beyond routine dues; or views memberships as strategic	pp 29, 50
Stakeholder Engagement		
4.14	List of stakeholder groups engaged by the organization (e.g., communities, civil society, customers, shareholders and other providers of capital, suppliers, employees, unions)	pp 51-52
4.15	Basis for identification and selection of stakeholders with whom we engage	pp 27; 29; 31-32; 41-42; 45-46; 51-52
4.16	Approaches to stakeholder engagement, including frequency by type and by stakeholder group	pp 27; 29; 31-33; 41-42; 45-46; 51-52 p 7; 2009 Proxy Statement
4.17	Key topics and concerns that have been raised through stakeholder engagement and reports on how the organization is responding	pp 5-8, 17, 27-32, 40, 42, 45, 50-52 pp 33-41; 2009 Proxy Statement

GRI Disclosure		Type	Location/Notes
MANAGEMENT APPROACH AND PERFORMANCE INDICATORS			
ECONOMIC PERFORMANCE INDICATORS			
DMA	Disclosure of Management Approach with reference to economic performance; market presence; and indirect economic impacts, including discussion on goals and performance; policy; and additional contextual information		pp 2-36, 46-144; 2009 Annual Report
Economic Performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	Core	pp 10, 18 pp 28-29, 146-147; 2009 Annual Report
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Core	
EC3	Coverage of the organization's defined benefit plan obligations	Core	pp 184-191; 2009 Annual Report
EC4	Significant financial assistance received from the government	Core	pp 28-29; 2009 Annual Report
Market Presence			
EC5	Range of ratios of standard entry-level wage compared with local minimum wage at significant locations of operation	Additional	
EC6	Policy, practices and proportion of spending on locally based suppliers at significant locations of operation	Core	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	Core	
Indirect Economic Impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement	Core	
EC9	Understanding and description of significant indirect economic impacts, including the extent of impacts	Additional	

GRI Disclosure		Type	Location/Notes
ENVIRONMENTAL PERFORMANCE INDICATORS			
DMA	Disclosure of Management Approach with reference to materials; energy; water; biodiversity; emissions, effluents and waste; products and services; compliance; transport; and overall, including discussion on goals and performance; policy; organizational responsibility; training and awareness; monitoring and follow-up; and additional contextual information	Core	pp 27-42
Materials			
EN1	Materials used by weight or volume	Core	p 35
EN2	Percentage of materials used that are recycled input materials	Core	pp 38-40
Energy			
EN3	Direct energy consumption by primary energy source	Core	p 35
EN4	Indirect energy consumption by primary source	Core	p 35
EN5	Energy saved due to conservation and efficiency improvements	Additional	pp 34-36; 39
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services and reductions in energy requirements as a result of these initiatives	Additional	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	Additional	pp 34-36
Water			
EN8	Total water withdrawal by source	Core	p 35
EN9	Water sources significantly affected by withdrawal of water	Additional	
EN10	Percentage and total volume of water recycled and reused	Additional	
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Core	
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Core	
EN13	Habitats protected or restored	Additional	
EN14	Strategies, current actions and future plans for managing impacts on biodiversity	Additional	pp 29-31
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations by level of extinction risk	Additional	Not applicable

GRI Disclosure		Type	Location/Notes
Emissions, Effluents and Waste			
EN16	Total direct and indirect greenhouse gas emissions by weight	Core	pp 35-36
EN17	Other relevant indirect greenhouse gas emissions by weight	Core	pp 35-36
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	Additional	pp 34-36; 39-42
EN19	Emissions of ozone-depleting substances by weight	Core	Not applicable
EN20	NO _x , SO _x and other significant air emissions by type and weight	Core	
EN21	Total water discharge by quality and destination	Core	
EN22	Total weight of waste by type and disposal method	Core	pp 40-41
EN23	Total number and volume of significant spills	Core	Not applicable
EN24	Weight of transported, imported, exported or treated waste deemed hazardous under the terms of Basel Convention Annex I, II, III and VIII and percentage of transported waste shipped internationally	Additional	Not applicable
EN25	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	Additional	Not applicable
Products and Services			
EN26	Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation	Core	pp 27-41
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	Core	
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Core	
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations and of transporting members of the workforce	Additional	pp 35-36
Overall			
EN30	Total environmental protection expenditures and investments by type	Additional	pp 28, 36

GRI Disclosure		Type	Location/Notes
SOCIAL PERFORMANCE INDICATORS			
Labor Practices and Decent Work			
DMA	Disclosure of Management Approach with reference to employment; labor/management relations; occupational health and safety; training and education; and diversity and equal opportunity, including discussion on goals and performance; policy; organizational responsibility; training and awareness; monitoring and follow-up; and additional contextual information	Core	pp 43-46
Employment			
LA1	Total workforce by employment type, employment contract and region	Core	pp 43-44
LA2	Total number and rate of employee turnover by age group, gender and region	Core	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees by major operations	Additional	pp 43-44
Labor/Management Relations			
LA4	Percentage of employees covered by collective bargaining agreements	Core	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	Core	
Occupational Health and Safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Additional	
LA7	Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities by region	Core	
LA8	Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases	Core	
LA9	Health and safety topics covered in formal agreements with trade unions	Additional	
Training and Education			
LA10	Average hours of training per year per employee by employee category	Core	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and that assist them in managing career endings	Additional	
LA12	Percentage of employees receiving regular performance and career development reviews	Additional	
Diversity and Equal Opportunity			
LA13	Composition of governance bodies and breakdown of employees per category according to age group, gender, minority group membership and other indicators of diversity	Core	pp 44, 47 pp 1-5; 2009 Proxy Statement
LA14	Ratio of basic salary of men to women by employee category	Core	

GRI Disclosure		Type	Location/Notes
HUMAN RIGHTS PERFORMANCE INDICATORS			
DMA	Disclosure of Management Approach with reference to investment and procurement practices; non-discrimination; freedom of association and collective bargaining; child labor; forced and compulsory labor; security practices; and indigenous rights, including discussion on goals and performance; policy; organizational responsibility; training and awareness; monitoring and follow-up; and additional contextual information	Core	pp 48, 50 Code of Conduct
Investment and Procurement Practices			
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	Core	pp 30, 50
HR2	Percentage of significant suppliers and contractors who have undergone screening on human rights and actions taken	Core	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Additional	
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken	Core	
Freedom of Association and Collective Bargaining			
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights	Core	
Child Labor			
HR6	Operations identified as having significant risk for incidents of child labor and measures taken to contribute to the elimination of child labor	Core	
Forced and Compulsory Labor			
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor and measures taken to contribute to the elimination of forced or compulsory labor	Core	
Security Practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	Additional	
Indigenous Rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	Additional	

GRI Disclosure		Type	Location/Notes
SOCIETY PERFORMANCE INDICATORS			
DMA	Disclosure of Management Approach with reference to community; corruption; public policy; anti-competitive behavior; and compliance, including discussion on goals and performance; policy; organizational responsibility; training and awareness; monitoring and follow-up; and additional contextual information	Core	pp 5-26, 48-50 Code of Conduct
Community			
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting	Core	
Corruption			
SO2	Percentage and total number of business units analyzed for risks related to corruption	Core	
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	Core	
SO4	Actions taken in response to incidents of corruption	Core	
Public Policy			
SO5	Public policy positions and participation in public policy development and lobbying	Core	p 51 Political contributions
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country	Additional	Political contributions
Anti-competitive Behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust and monopoly practices and their outcomes	Additional	
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Core	

GRI Disclosure		Type	Location/Notes
PRODUCT RESPONSIBILITY PERFORMANCE INDICATORS			
DMA	Disclosure of Management Approach with reference to customer health and safety; product and service labeling; marketing communications; customer privacy; and compliance, including discussion on goals and performance; policy; organizational responsibility; training and awareness; monitoring and follow-up; and additional contextual information	Core	pp 4-8; 17; 48-50 Privacy Statements Code of Conduct
Customer Health and Safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures	Core	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services by type of outcomes	Additional	
Product and Service Labeling			
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements	Core	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling by type of outcomes	Additional	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Additional	
Marketing Communications			
PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	Core	Privacy Statements
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes	Additional	
Customer Privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Additional	
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Core	