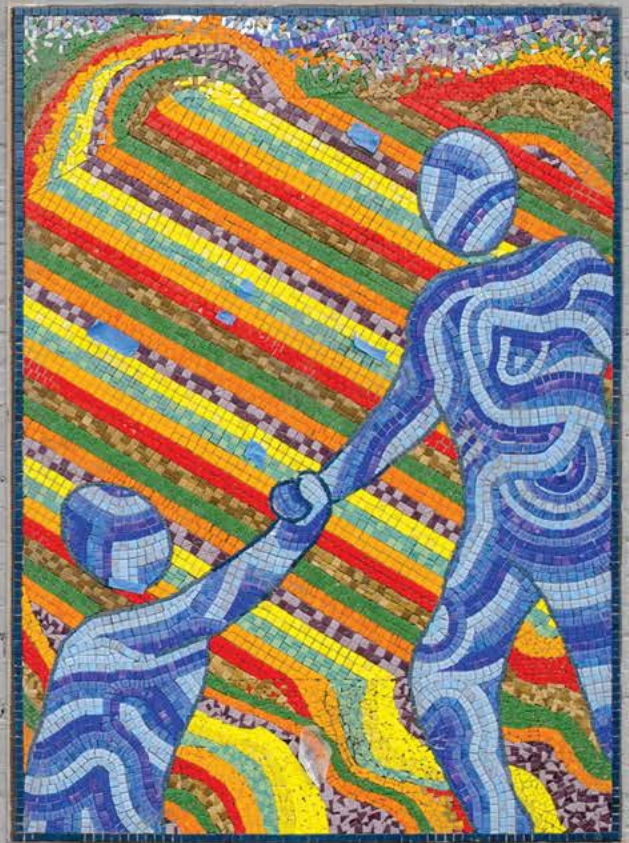


Return on Community



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Patricia E. Harris, CEO, Bloomberg Philanthropies.
Larry Hogan, Governor of Maryland.
Henrietta Moore, Director, Institute for Global Prosperity.
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Detroit Vegan Soul Co-owner **Kirsten Ussery** serves a customer.



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Return on Community: A Business Imperative



We live in a time when it is easy to feel that there is more that divides us than unites us. Economic, racial and cultural fault lines, it seems, are only growing wider. The disparity between those sharing in – and those locked out of – a growing economy is driving the wedge still deeper. The typical American family has a lower net worth than its counterpart did 20 years ago. Meanwhile, for every \$100 in white family wealth today, black families hold just about \$5. The system is failing too many people. And the fractures this creates undermine the basic tenets of our society.

In the midst of so much disparity, business has a fundamental responsibility to do much more to make the system work for more people.

JPMorgan Chase is applying the capabilities and resources that have made us successful as a business to generate what we call 'Return on Community.' This means we are making intentional, strategic investments to lift those who are being left behind. We are measuring our returns according to how we improve individual lives within communities. Number of jobs

created, units of affordable housing created or preserved, small businesses launched and young people who've gained the skills needed for in-demand jobs are how we measure our results.

We consider these results essential to the long-term success of our firm because when our communities do well, our company does well. So we are approaching these efforts like we do other aspects of our business by making long-term, data-driven investments; refining them as we learn what works; and rigorously evaluating our performance using metrics like ratio of investments to outside capital leveraged. We are maximizing our impact by focusing where we can best apply our firm's resources and capabilities to drive inclusive growth: building job skills, expanding small businesses, revitalizing neighborhoods and promoting financial health.

As we have demonstrated in Detroit – where we have refined our model over the last several years – this approach works. People are moving back to the city. The unemployment rate is down from 20 percent in 2013 to less than 9 percent. For the first time in 17 years, home values have risen and mortgage lending is up. While much work remains to be done, there is a sense of optimism once again, particularly among young people who now see a future for themselves in their city.

So what does Return on Community look like in practice? It looks like Detroit Vegan Soul, a restaurant in Detroit's West Village. With financing from the Entrepreneurs

of Color Fund, co-owners Kirsten Ussery and Erica Boyd recently opened their second location in Grandmont Rosedale – the first sit-down restaurant to open in that neighborhood in nearly a decade. They now employ 25 people in Detroit, and have their sights set on expanding throughout Michigan. JPMorgan Chase helped launch the Entrepreneurs of Color Fund to provide much-needed capital to underserved entrepreneurs – or, more precisely, to invest in people like Ussery and Boyd who are having extraordinary multiplier effects in our communities. We are now replicating this successful approach with similar funds in Chicago, San Francisco, the South Bronx and the Greater Washington region.

In 2018, we took an even bigger step to take our model to scale with the launch of *AdvancingCities*, a five-year, \$500 million initiative through which we are combining our business and philanthropic capital to create greater economic opportunity in communities around the world.

These efforts reflect the degree to which the mission to expand economic opportunity has become a fundamental part of the culture of JPMorgan Chase. We believe there is both a clear economic imperative and moral obligation to do our part to help mend the social fabric in our communities.

Peter L. Scher, Head of Corporate Responsibility and Chairman of the Mid-Atlantic Region, JPMorgan Chase & Co.



The Opportunity Long Game



The trend line of human progress is unequivocally to the good, yet we still face serious challenges and deep divisions. People are disconnected from economic growth, and inequality has increased. For the first time in generations, life expectancy in the U.S. has reversed course, fueled by the opioid crisis and rising suicide rates.

These indicators should set alarm bells ringing not just in the halls of government and neighborhood meeting spots. They should be ringing in corporate boardrooms as well. Business cannot succeed in the face of challenges in our communities. On the contrary, long-term business success depends on community success.

When everyone has a fair shot at participating in and sharing in the rewards of growth, the economy will be stronger and society more cohesive. Making this happen requires business leaders to buck short-termism that too often drives the markets. Instead, we must take the long view. I've always made clear that the value our firm generates for our shareholders reflects decisions and investments made over years – not quarters – and in consideration of a broad set of factors.



“Rising Sons,” a mural by The Fellowship Initiative’s 2018 Chicago class. The Fellowship Initiative is JPMorgan Chase’s mentorship program that provides intensive academic and leadership training to help young men of color from economically distressed communities complete their high school educations and better prepare them to excel in colleges and universities.

The same holds for creating value for society, which requires thinking and acting on a time horizon of years, not months. By putting our capital and expertise to work to support our people, communities and customers, that’s exactly what JPMorgan Chase is doing.

Just as we do in our business, we are analyzing the long-term challenges and trends, bringing the best experts – including many of our talented employees – to the table and using data to develop solutions. We are making significant, multiyear investments, focused where we have the skills and insights to make a real contribution. We are also testing and seeding new approaches – like extending low-cost loans to entrepreneurs or neighborhoods that struggle to access traditional financing on their own – and if those don’t work, we learn, adjust and try again.

For example, data shows that black Americans face a disproportionate opportunity gap when it comes to accessing the resources that can help them get on the path to great careers, build wealth, grow a business and participate in the benefits of a growing economy. We recognize that

our firm is uniquely positioned to marshal our resources, expertise and core business to help put economic opportunity in reach for more black Americans.

So, in early 2019, we launched Advancing Black Pathways, which builds on and accelerates our existing efforts to help black people chart stronger paths to economic success. Through the initiative, we are leveraging our firm’s unrivaled insights into the financial lives of Americans to strengthen the financial wellness of black families, expand access to capital for black-owned small businesses and support black homeownership. We are increasing access to better educational and training opportunities for black students, including committing to hire more than 4,000 black students over the next five years into apprenticeships, internships and post-graduation roles. And we are expanding on our long-standing efforts to recruit, develop and promote black talent within our firm.

This initiative reflects JPMorgan Chase’s approach to supporting our people, communities and customers: We bring the full force of our firm. Our nation-wide market expansion effort, through which we are opening

400 new Chase branches, offers another prime example. The new branches will enable us to better serve our customers, offer more good jobs and deliver on expanded lending and philanthropic commitments in our communities. We will add as many as 3,000 new jobs across the country, while we have raised wages for our U.S. hourly employees, many of whom work in our branches.

All of our efforts are grounded in the belief that the road to prosperity is paved with shared success. Across these efforts, we have seen that a long-term, strategic approach – combined with the right partners and informed by good data – yields real results.

We know business alone cannot solve today’s biggest challenges, but we believe firmly we must step up and work with government and community leaders to offer solutions. The private sector has tremendous capacity to expand opportunity for those who need it most, and it’s a role and responsibility we should embrace. When we play the opportunity long game, we all win.

Jamie Dimon, Chairman and CEO,
JPMorgan Chase & Co.

Expanding Opportunity Through *AdvancingCities*



By **Irene Baker**, Head of *AdvancingCities*, JPMorgan Chase & Co.

Five years ago in Detroit, JPMorgan Chase set out to test a new model for how businesses can play a greater role in improving the lives of people in the communities they serve. Our strategy was to focus on key drivers of inclusive growth where we could directly leverage our core business expertise, making data-driven investments where we could genuinely move the needle.

The initial results in Detroit far exceeded our expectations – small businesses were launched, Detroiters secured training and landed good jobs, and new commercial space and housing in neighborhoods were developed. As a result, we not only expanded our commitment in Detroit but also put our model for impact into motion in Chicago, the Greater Washington region and Greater Paris.

With *AdvancingCities*, we are doubling down on our commitment to drive inclusive growth and are dramatically expanding the number of people and places we reach.

AdvancingCities reflects valuable insights we have gained along the way.

For example, we have seen the critical need to fill the gap between philanthropic and market-rate capital, which is why up to half of our \$500 million commitment is earmarked as low-cost, long-term loan capital.

We have witnessed the power of competition to drive results, so the *AdvancingCities* Challenge invites communities to compete for funding to accelerate solutions that create more economic opportunity for their residents.

Finally, we have found that our firm can be a powerful vehicle for attracting additional investment. Based on our experience, we expect *AdvancingCities* to leverage an additional \$1 billion in outside capital to invest in communities around the world.

AdvancingCities is JPMorgan Chase's largest and most ambitious corporate responsibility effort yet. I am thrilled to be leading this initiative, and to be part of a company that believes business has a responsibility to help solve real challenges in our communities.

JPMORGAN CHASE & CO.

AdvancingCities

AdvancingCities is JPMorgan Chase's \$500 million, five-year initiative to drive inclusive growth in cities around the world. Through this groundbreaking effort, launched in September 2018, we are combining our philanthropic and business capital to expand opportunity for those who are being left behind in today's economy.

AdvancingCities deploys investments and encourages innovative solutions in two ways:



Signature Cities

We are making large-scale investments in cities around the world where the conditions are right for success and broader, deeper investments are needed to drive inclusive growth, most recently Greater Paris. This model applies insights from our work in Detroit, Chicago and the Greater Washington region.



AdvancingCities Challenge

The Challenge is a competition to source and seed creative, collaborative and sustainable solutions that address cross-cutting challenges to help more people benefit from a growing economy. Through the Challenge, we will make commitments in up to 30 communities across the United States.

Model for Impact

JPMorgan Chase's model for impact focuses on four strategic drivers of inclusive growth, and it reflects what we believe are the essential ingredients for creating a lasting impact in our communities. We are putting this model into action through significant, long-term and data-driven investments that leverage our firm's expertise, capital, data, technology and global presence.



“

Harvard Business School (HBS) Professor Emeritus Joseph L. Bower, together with Michael Norris, examined the firm's work in Detroit in a HBS case study in 2018.

JPMorgan Chase has one of the most unique and powerful corporate responsibility strategies, grounded in its model for impact. It is an example of a company that, as part of its core business strategy, is using its skill set to mitigate problems that are not normally thought of as the scope of business, and at the same time build its business. They are doing it as an investment – not charity – so it's sustainable.

Seeding Innovation and Amplifying Impact

The *AdvancingCities* Challenge

Competition sparks novel solutions and encourages diverse stakeholders to join forces around a shared goal. We have seen this effect firsthand through competitions that are the hallmark of our Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods) initiative and the Financial Solutions Lab – and it's the driver behind the *AdvancingCities* Challenge.

Through the Challenge, we are inviting cities to compete for up to \$3 million in each city to support innovative, sustainable solutions that help more people benefit from a growing economy. These ideas must offer unique ways to advance at least two of the four pillars that are at the heart of JPMorgan Chase's model for impact: jobs and skills, small business expansion, neighborhood revitalization and financial health. And they must demonstrate a collaborative approach that brings together the public, private and nonprofit sectors – an approach that is essential to solving complex challenges.

Learn more about *AdvancingCities* and the inaugural class of Challenge winners at www.jpmorganchase.com/advancingcities.

OUR FIRST CHALLENGE INCLUDED

 **256** applications

 **45** U.S. states and territories

 **143** communities

Flexible Capital

Through *AdvancingCities*, JPMorgan Chase will deploy up to \$250 million as low-cost, long-term loan capital – combining our firm's philanthropic efforts with the lending and investing expertise of our Community Development Banking business. Our experience has shown that flexible capital, which can help bridge the gap between philanthropic and market-rate capital, is a key tool to attract additional investment and help more people share in the rewards of a growing economy. In Detroit, for example, the \$40 million in low-cost loan capital we provided was leveraged by partner organizations to attract more than \$233 million from outside investors.

The use of flexible lending capital creates a sustainable solution to fill unmet financing needs and help critical community projects – which often lack access to traditional financing – get off the ground. It also means that once the loans have been repaid, JPMorgan Chase and our partners can recycle and redeploy the capital back into the community, further amplifying our impact.

In December 2018, we committed \$10 million in low-cost, long-term capital to the Chicago Community Loan Fund, our first flexible capital commitment as part of *AdvancingCities*. This low-cost loan will support the development and preservation of small businesses and commercial corridors on Chicago's South and West sides. JPMorgan Chase Institute research found that residents in these areas must travel greater distances to access everyday goods and services. The new low-cost, long-term capital will fill a critical need to strengthen and expand the area's small business sector, while also spurring local job creation.

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JPMorgan Chase supports our clients not just by providing the banking solutions they need, but by delivering the full force and capabilities of our firm. We take the same approach where we live and work. Combining our Community Development Banking expertise with our passion for helping our communities, flexible capital has filled a void in the market and will help drive inclusive growth.

Doug Petno, CEO of Commercial Banking, JPMorgan Chase & Co.



From Left:

Emmanuel Abidemi, Owner of Bolat African Cuisine Inc.; **Corey Gilkey**, CEO of Leaders 1354 & Friistyle; and **Erica King**, President of Chicago Neighborhood Initiatives Micro Finance Group, discuss the importance of supporting the commercial corridors on Chicago's South and West sides.

In Conversation

Cities as the Front Lines of Economic Inclusion

At the September 2018 launch of *AdvancingCities*, JPMorgan Chase invited three current and former mayors to talk about what it means – and what it takes – for cities to expand economic opportunity for their residents. Here are excerpts from the conversation.

What are the biggest challenges facing cities today?

AS: Clearly, inclusive economic development is the challenge of our generation. To me, there's no other headline that we need to be focused on in cities. For a place like Fresno, the question is how to get your arms around all the ways to create opportunity, and ultimately connect that to the residents who need it most.

MN: Unequal access to opportunity, and the lack of resources to address it. Philadelphia is number one in a bunch of things, but unfortunately, we have the highest poverty rate of the 10 largest cities in the United States. We have educational challenges, homelessness and a variety of issues, and you never have enough resources. But cities are resilient and, more importantly, our citizens are resilient.

What are the keys to solving these challenges?

MD: Public-private partnerships are so important. Government can't do it by itself. The Entrepreneurs of Color Fund is a great example. With the fund's help, we just celebrated the opening of the first sit-down restaurant in Jefferson-Chalmers in 30 years. It's got African American ownership, in a formerly vacant storefront, in a neighborhood miles from downtown. This is the kind of inclusive development you can do with public-private partnerships.

AS: Collaboration is absolutely key. It maximizes resources and improves outcomes. You see communities where leaders are willing to cross boundaries – political, geographic, whatever they are. That's a good sign of a community that's hungry for change.

What's your advice on successfully leading change in a city?

MD: Take the drama out of it. We have enormous buy-in from the community because folks know that if they come in, they're not getting an "us versus them" situation. If you have your community unified, you're going to be successful.

MN: Have a plan and do it all in a transparent way. People can see what's going on, and you're not going to make everyone happy. But you have to have a vision for where you're trying to go, provide leadership and take people with you.

From Left:

Ashley Swearengin (AS) is a former mayor of Fresno, California, and the current president and CEO of the Central Valley Community Foundation.

Michael Nutter (MN) is a former mayor of Philadelphia, Pennsylvania, and the David N. Dinkins professor of professional practice in urban and public affairs at Columbia University.

Mike Duggan (MD) has been the mayor of Detroit, Michigan, since 2014.



Investing in Opportunity

Greater Paris

With its stunning architecture, charming squares and rich history, Paris is truly a “city of cities.” But like many major cities around the world with vibrant centers of commerce, there is more to Paris than meets the eye. While the city center shines brightly, 1.5 million people in Greater Paris live with poverty, unemployment and homelessness. In France, 5.3 million people – 8 percent of the total population – have an income of €12,000 or less, which is about \$14,000 or less.

It is undeniably clear that too many people in areas across Île-de-France, particularly in Seine-Saint-Denis, have been shut out of a growing global economy.

In 2018, JPMorgan Chase made a \$30 million, five-year philanthropic investment to provide underserved residents and local entrepreneurs across Greater Paris access to greater economic opportunity. This doubles the firm’s philanthropic investments in the Greater Paris area and is the first commitment as part of our new *AdvancingCities* initiative.

We are applying insights from our work in U.S. cities and our history in Paris, and using our firm’s proven model for impact, to break down barriers in Greater Paris.

In addition, our firm’s deep nonprofit and government partnerships and experiences on the ground in Paris are guiding where and how we invest. We are also drawing on the experiences of our Paris Service Corps teams.

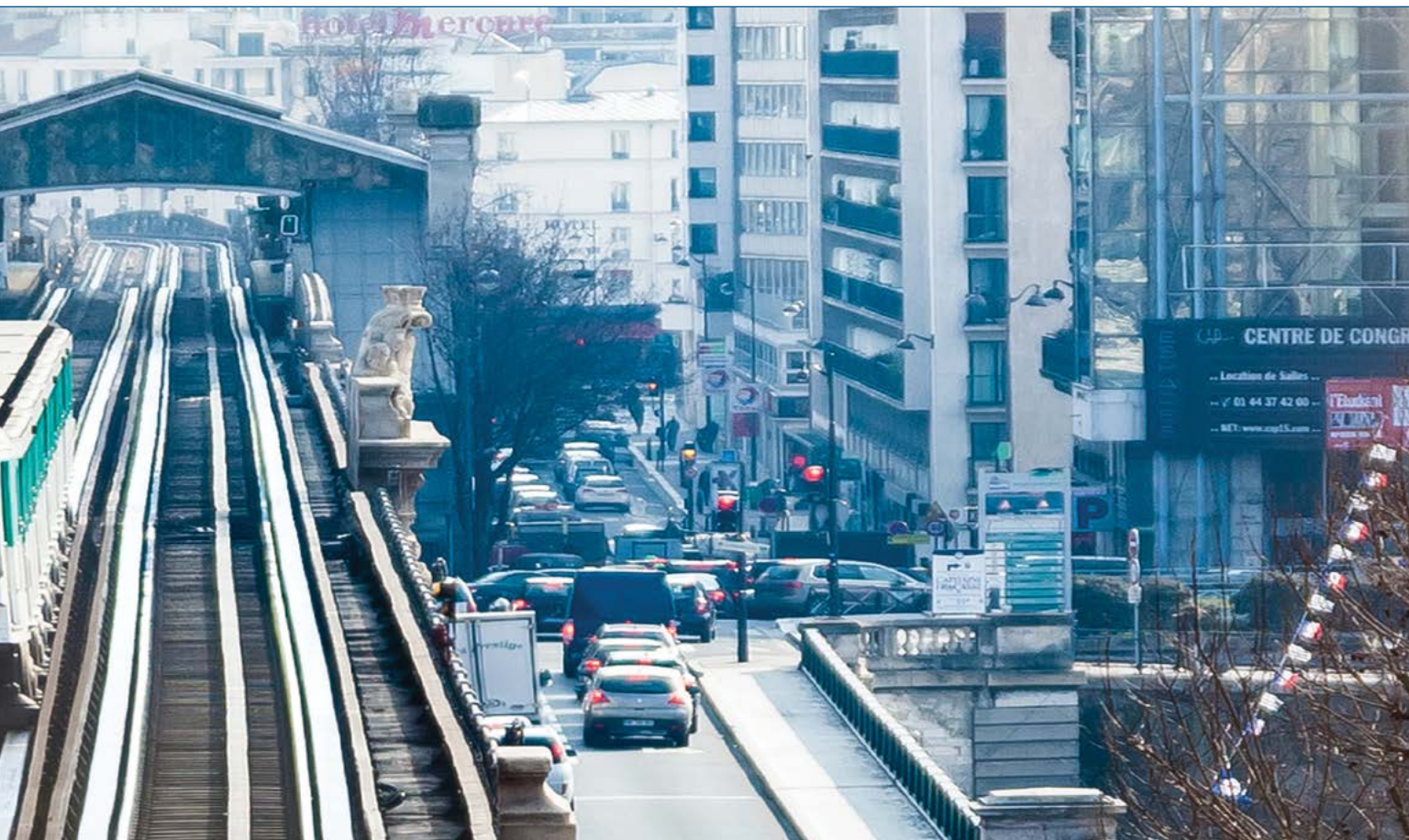
As we’ve done in Detroit, Chicago and the Greater Washington region, JPMorgan Chase is focusing on the key pillars of opportunity that lift up underserved populations and offer the promise of more inclusive growth in Greater Paris. Specifically, we are building on economic development activity currently underway and upcoming major infrastructure projects – such as the Paris Olympic Games in 2024 and Grand Paris Express – to create more widely shared prosperity.

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With our investments in Paris, our goal is to become a catalyst for change and a model for what other corporations could do.



Kyril Courboin, Head of France, J.P. Morgan



Jobs and Skills

In collaboration with nonprofit organizations and training institutions such as **Les Compagnons du Devoir**, **Simplon.co**, **Sport dans la Ville** and **Mozaik RH**, we are focusing on increasing training and skills for young people and long-term unemployed adults for in-demand jobs in the rapidly evolving construction and logistics sectors.

Small Business Expansion

We are working with micro and small businesses to help them access technical support, networks and other resources. With our partners including **Impact Partenaire**, **Positive Planet** and **ADIE**, we are helping local and diverse entrepreneurs in Seine-Saint-Denis grow and become more competitive through the development of affordable work and commercial space.

A 150-YEAR HISTORY IN PARIS

JPMorgan Chase's presence in France has spanned more than a century. During World War I, our firm arranged a significant loan and acted as purchasing agent in the United States for the Allies.

Today, Greater Paris faces serious challenges, including people disconnected and not benefiting from economic growth. We have been working a long time to address these challenges.

For example, over the past five years, through our philanthropic investments, we have supported over **1,200 micro and small businesses**, helped create more than **2,300 jobs** and provided over **2,500 young and long-term unemployed adults** with technical training, job skills programs and mentorship.

Our commitment to Greater Paris is truly a firmwide effort. By combining the best of our business, employees, expertise, partnerships and data, we hope to play a role in expanding opportunity for the next 150 years.



JPMorgan Chase's Chairman and CEO **Jamie Dimon** (second from left) and French Minister of Employment **Muriel Penicaud** (far right) meet carpentry trainees at Les Compagnons du Devoir in Seine-Saint-Denis.

EMPLOYEES MAKING A DIFFERENCE ON THE GROUND

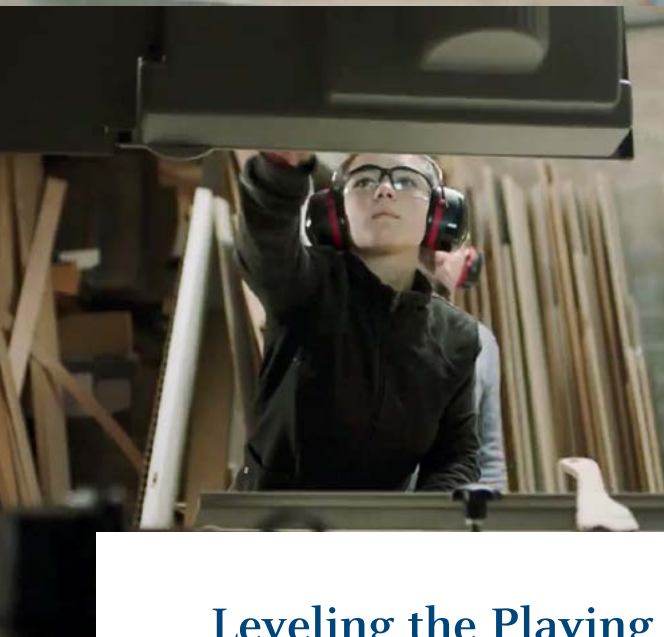
Our firm's new commitment in Greater Paris was greatly informed by the work of our Service Corps, which sends teams of our top performing employees from around the world to put their skills and expertise to work on behalf of our nonprofit partners. In early 2018, Service Corps teams went to Greater Paris for the first time to help

our nonprofit partners strengthen their organizations and maximize the impact of our future philanthropic investments. The 16 Service Corps members were spread across four nonprofit organizations – ADIE, Simplon.co, Ares and Article 1 – to help them scale their work, improve their financial reporting processes and increase their financial sustainability.

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Muriel Pénicaud, French Minister of Employment

We are pleased to support responsible companies like J.P. Morgan, which is promoting inclusive employment for more residents of the department of Seine-Saint-Denis with this large philanthropic investment. It's part of their commitment to promote economic opportunity for the most vulnerable people. This area has a great pool of diverse talents and small business entrepreneurs, and we look forward to [collaborating] with J.P. Morgan and other organizations to equip [these residents] with the skills and resources that they need to contribute to our country's economic growth.



Leveling the Playing Field in Greater Paris

Midway through her time at a traditional high school, Marjolaine George realized that it wasn't a good fit. So she switched to a technical high school, where she discovered a love of working with her hands.

Now 22 years old, George — who grew up in the small town of Draveil in Greater Paris — is honing her carpentry skills through Les Compagnons du Devoir, a vocational training program in Seine-Saint-Denis where young people become apprentices in construction, traditional crafts and manufacturing to prepare them for a career. JPMorgan Chase's support has helped the organization to develop and expand its programs to serve more students.

"What I like about carpentry is using my hands to work, building something from start to finish, design in general and the material, wood. I love that," says George.

Apprenticeships are a time-honored tradition that provide students with hands-on skills, mentorship and preparation for professional life. "It's super interesting to learn a profession without always being in class," says George. "So far, I've learned to use all types of machines that I didn't know how to use before. And I'm helping my classmates a bit. Doing that trains me to tackle all the different things we can do in this profession."

The program has changed the trajectory of her life. George says that her time working with mentors and peers has boosted her assertiveness, stability and long-term prospects. With increased self-confidence and a degree in hand, she now believes she has choices on the path to following her dreams. "With the degree from Les Compagnons," she says, "you can work at different companies — and maybe one day start your own."

Investing in Opportunity

Detroit

Detroit exemplifies both the challenges many cities wrestle with as they work to create greater opportunity for their residents and the conditions for solving them. It is also a city where our firm has been doing business for more than 85 years. That's why in 2014, JPMorgan Chase invested in Detroit's comeback and established it as the proving ground for our model for driving inclusive growth in other cities.

We made a five-year, \$150 million commitment to Detroit, and we are deeply proud of the impact we have made so far. We are also committed to continuing to help ensure that Detroit's economic turnaround translates into lasting opportunity for its residents, especially those who have not yet benefited from the city's recovery.



Debbie Stabenow, U.S. Senator, Michigan

Great work is happening in neighborhoods and communities across Detroit. The city's strong partnership with JPMorgan Chase is helping small businesses access capital, train workers for good-paying jobs and increase the availability of affordable housing.

Putting the Pieces Together in West Village

West Village has all the building blocks of a great neighborhood: It's a designated historic district with beautiful architecture and diverse housing stock, is highly walkable and is near midtown and downtown. But like in many of Detroit's neighborhoods, the economic boom that is so visible in midtown is still not fully apparent in West Village. Meanwhile, research from the JPMorgan Chase Institute found that residents of Detroit's neighborhoods had to travel long distances to access everyday goods and services — with low-income residents having to travel more than 15 percent farther than high-income ones to get the things they need.

Through a coordinated set of investments, JPMorgan Chase is working to ensure Detroit's revitalization extends to more neighborhoods like West Village — and that West Village residents can get more of what they need without having to leave the neighborhood.

The Coe at West Village — a \$4 million mixed-income, mixed-use development that opened in November 2017 — is a case in point. The first new mixed-use construction project in the neighborhood in over 30 years, The Coe was made possible by financing from the Strategic Neighborhood Fund, which JPMorgan Chase helped establish in 2016.

Today, The Coe's eight townhouses and four apartments — 20 percent of which are set aside as affordable housing — are fully leased. Meanwhile, The Coe's first-floor commercial space is bringing new retail to the neighborhood. One of those businesses is Life Cycle Delight, a yoga and spin studio that received funding from Motor City Match, a Detroit small business development initiative supported by JPMorgan Chase.

Our firm is also giving small businesses in West Village and across Detroit a boost through the Entrepreneurs of Color Fund. Thanks to a loan from the Entrepreneurs of Color Fund, Detroit Vegan Soul — a popular vegan comfort food restaurant in West Village — was able to expand to a second location in the Grandmont Rosedale neighborhood.

Ensuring underserved neighborhoods benefit from economic growth requires putting the pieces together — which is exactly what our firm is doing in West Village.

With JPMorgan Chase's \$150 million, five-year* investment:

⚙️ **13,573**

people participated in workforce programs

🏠 **1,632**

units of affordable housing were created or preserved

🏢 **13,180**

people received services to improve their financial health

⚙️ **2,067**

jobs were created or retained

📈 **4,387**

small businesses received capital or technical assistance

*Commitment made in May 2014.

Through our existing business efforts in Detroit, JPMorgan Chase:



increased our minimum wage to

\$16.50/hour



closed nearly \$150M

worth of deals through our Community Development Banking business in vulnerable neighborhoods since 2014

Photo © Doug Zuba on Unsplash

Changing the Face of Real Estate Development



When Chase L. Cantrell was working as a real estate lawyer in Detroit, it struck him as odd that in this majority African American city, the vast majority of his clients were white. “I am a native Detroit, and I didn’t feel like my clientele reflected my city,” he says. “I began to ask myself: Where are our African American developers?”

That was in 2016, and Cantrell had a front-row seat to the development boom underway in his hometown – and to see who was reaping some of the benefits. “If you don’t see black and brown faces doing the work that’s changing your city,” he says, “it’s frustrating and it is going to impede progress.” So Cantrell decided to do something about it. He left his law job and launched Building Community Value, a nonprofit dedicated to creating

a more diverse pipeline of developers by teaching Detroit residents the ins and outs of real estate development.

Meanwhile, the nonprofit community development financial institution Capital Impact Partners (CIP) was coming to a similar conclusion about the need to make Detroit’s developer talent pool more reflective of the city’s diversity. So in 2017, CIP launched the Equitable Development Initiative, with support from JPMorgan Chase. The program provides minority developers with training opportunities and access to capital to help empower them to participate in the city’s economic recovery.

Cantrell was a member of the first group of aspiring developers to complete the program; after all, if he wanted to strengthen Detroit’s homegrown development talent, there was no better place to start than with himself. “I was used to the legal nuts and bolts like pro forma development and tax credit analysis,” he says, “but it was really useful for me to have conversations with developers who have been in the trenches.” Participating in the program also helped Cantrell and CIP identify ways their organizations could collaborate by supporting developers at different phases.

“The face of real estate in most large cities is not black or brown,” notes Cantrell. But with his and CIP’s help, in Detroit that’s bound to change.

STRATEGIC NEIGHBORHOOD FUND

Innovative financial solutions are the critical lifeblood of neighborhood revitalization. The Strategic Neighborhood Fund (SNF) – an initiative that brings together community developers as well as private, philanthropic and public capital to help distressed neighborhoods – is one such solution.

A collaboration between Invest Detroit, the Detroit Development Fund and Opportunity Resource Fund, SNF was established in 2016 with the help of a \$5 million Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods) commitment from JPMorgan Chase. The Coe is just one of the projects developed by SNF over the past two years. Now, SNF is working to raise an additional \$130 million to revitalize seven more neighborhoods in Detroit, on top of the three it already oversees. In February 2019, our firm committed another \$15 million in new low-cost, long-term capital and philanthropy to help ensure SNF’s efforts are sustainable and benefit lifelong Detroiters living in the neighborhoods.



Investing in Opportunity

Chicago

“

The Chicago Tribune (Editorial)

“How Chase Seeks to Seed Prosperity on Chicago’s South and West Sides,” Dec. 17, 2018

A year ago, we lauded Chase’s \$40 million infusion into the South and West sides, largely because the bank’s philanthropy had a proven track record in Detroit. [It is] a private sector-driven formula for community rebirth that we admire: Use an initial chunk of money to lay the groundwork for outside investors to see the payoff in revving up underserved markets. And do more than just dole out cash. Link up with proven community groups that know where the money can be best invested, block by block. ...Chase has set a template for how corporate philanthropy can play a major role in neighborhood turnarounds.

Chicago is a vibrant and dynamic city, but not every resident is sharing in the economic growth. Building on our more than 150-year history in Chicago, in 2017 we made a \$40 million, three-year pledge to expand access to opportunity on the city’s South and West sides.

We are proud to see that our investments are beginning to make a real impact in people’s lives. Each person who has graduated from a training program and landed a new job, and each entrepreneur who has gotten financing to expand his or her business, is our true metric of success.

We know our efforts are only one part of the broader solution needed to address the decades of disinvestment, racial wealth divide, concentrated poverty and associated gun violence that are impeding the ability of too many Chicagoans to fulfill their potential. But by putting our model for driving inclusive growth into action – in collaboration with our deeply committed partners – we believe we are making a meaningful contribution.

HERE ARE SOME OF THE WAYS WE ARE MAKING AN IMPACT

Jobs and Skills

Equipping residents with the skills and training needed to compete for high-quality, in-demand jobs by partnering with **Instituto del Progreso Latino** to launch **Instituto College**, which will provide access to lower-tuition associate degrees, starting with nursing.

Small Business Expansion

Providing minority entrepreneurs with critical access to capital, education and other resources through the \$5.5 million **Chicago Entrepreneurs of Color Fund**, launched by JPMorgan Chase with partners **Accion Chicago** and **Local Initiatives Support Corporation**.

Neighborhood Revitalization

Catalyzing development by providing critical seed funding for **The Chicago Opportunity Investment Fund**.

Extending our first *AdvancingCities* low-cost, long-term loan capital of \$10 million to **Chicago Community Loan Fund** to support the preservation and development of local commercial real estate and to spur small business growth and local job creation.

Financial Health

Working with **Neighborhood Housing Services** to provide Chicagoans with financial coaching.

With JPMorgan Chase's \$40 million, three-year* commitment:

 **2,857**

people have participated in workforce programs

 **176**

units of housing were created or preserved

 **5,341**

people received services to improve their financial health

 **1,246**

jobs were created or retained

 **1,319**

small businesses received capital or technical assistance

Through our existing business efforts in Chicago, JPMorgan Chase:

 closed nearly **\$70M**

worth of deals through our Community Development Banking business in vulnerable neighborhoods since 2017



increased our minimum wage to **\$16.50/hour**



FACES OF OPPORTUNITY

Opening a Door

Like many young people, South side native Floyd Wilson did not have a clear plan for his life. "After graduating high school, I really didn't know what I wanted to do," he says. "There were things I wanted to try but it never really worked out." That changed when Wilson, now 26, heard about BSD Industries at his church one day. "I feel like God just opened that door for me."

BSD Industries – a social enterprise of the Arthur M. Brazier Foundation that produces plastic products such as compostable cutlery – also operates a robotics technician training program that prepares trainees for jobs in advanced manufacturing. In 2017, JPMorgan Chase expanded our work with the Brazier Foundation with a \$500,000 commitment to support the program.

It was 2015 when Wilson heard about BSD Industries. Fast-forward to 2018, and he was a member of the first cohort to graduate from BSD's workforce development program, trained in AutoCAD, industrial and electrical controls and robotics programming. He was excited to put those skills to work at his new job at automotive parts supplier Flex-N-Gate. "Robotics programming awakened something in me I never knew I had," says Wilson. "I can honestly say BSD completely changed my life."

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Theaster Gates Jr., Artist and Founder and Executive Director of Rebuild Foundation

Artisan entrepreneurs on Chicago's South side have the talent, drive and innovative ideas they need to succeed – and now they also have the space and institutional support that all entrepreneurs need. We're thrilled to partner with JPMorgan Chase to bring life-changing, hands-on training and mentorship to small business owners in this part of the city.

*Commitment made in September 2017.

Investing in Opportunity

Greater Washington Region

The Greater Washington region is at a critical inflection point. It is the third-largest economy in the United States, one of the country's largest and fastest-growing high-tech corridors, and home to dozens of prestigious universities and *Fortune 1000* companies. There are clear signs of economic progress and a new spirit of collaboration among the public, private and nonprofit sectors. Yet, with almost one-fifth of the district's residents living in poverty, the region also faces acute challenges regarding economic mobility and inclusion.

It is essential to ensure that the region's economic growth creates opportunity for all residents.

JPMorgan Chase is bringing to bear the full force of our firm to help make that happen. In 2018, we announced

plans to open 70 new branches in Greater Washington and hire up to 700 new employees, the first major branch expansion as part of our firm's \$20 billion, five-year investment in our business and local economic growth. We also more than doubled our philanthropic investment in underserved neighborhoods, committing \$25 million to drive inclusive economic growth in the region.

One such commitment is the \$6 million we pledged in 2018 to prepare Greater Washington region students for local, in-demand technology jobs. As part of our firm's New Skills for Youth initiative, this philanthropic investment will support five public school districts in Virginia, D.C. and Maryland and enable them to partner with local community colleges and universities to design education and training that align with secure, well-paying local technology jobs.

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To us, this expansion is so much more than building a branch. This is about new relationships with customers, communities and employees. When we build a branch, we lift the whole community around it – contractors to build the branches, cafes and other small businesses to support the customer traffic. It's a very positive ripple effect.



Thasunda Duckett, CEO of Consumer Banking, Chase

With JPMorgan Chase's \$25 million, three-year* commitment:

 **590**

units of affordable housing were created or preserved

 **312**

jobs were created or retained

 **722**

small businesses received capital or technical assistance

*Commitment made in September 2017.

Driving Inclusive Growth in Wards 7 and 8

D.C.'s Wards 7 and 8, located east of the Anacostia River, have the city's lowest homeownership rates as well as the highest poverty and unemployment rates. At the same time, the city's increasing housing pressures put low-income residents at risk of being displaced. We are tackling these challenges through a series of coordinated, strategic philanthropic investments in Wards 7 and 8 aimed at helping local residents develop skills for in-demand jobs, launch and expand small businesses, expand affordable housing options and improve their overall financial health.

For example, we are supporting partners such as the Washington Area Community Investment Fund, which is helping underrepresented entrepreneurs in Wards 7 and 8 strengthen their businesses and their ability to access capital through its Ascend Capital Accelerator, an intensive eight-week training program. We have also made a \$5 million commitment to support implementation of The 11th Street Bridge Park Equitable Development Plan, designed to ensure residents of Wards 7 and 8 benefit from the opportunities related to the planned development that will connect Anacostia and Capitol Hill.

We are also investing in partners such as the Anacostia-based nonprofit Urban Ed, which is working to help residents gain a foothold and move up the economic ladder by equipping them with the skills to work in the region's fast-growing information technology field. With support from JPMorgan Chase, Urban Ed has been able to increase its career pathways offerings from one to five, more than quadruple its offering of certification programs and provide approximately 60 participants with career coaching and technical training in IT.

To strengthen the capacity and reach of Urban Ed, a team of executives from JPMorgan Chase worked with the organization to build out TechResolve, a for-profit counterpart designed to generate revenue and create an employment avenue for Urban Ed students.

"Careers in IT are a game-changer for youth who are trying to find their way," says Roxanne Williams, Founder and President of Urban Ed. "We are simply providing the skills they need to transform their lives, and support from JPMorgan Chase allows us to open doors for many more young people who might otherwise not have had a shot at a promising career and economic security for themselves and their families."

BRANCHING OUT TO BETTER SERVE OUR COMMUNITIES

The November 2018 opening of JPMorgan Chase's first retail branch in Greater Washington was more than a typical ribbon-cutting ceremony; it was the first step in our firm's national branch expansion effort, through which we will open 400 new Chase branches across the United States. Branches, and the people who work in them, are the heart of our company – 75 percent of our deposit growth comes from customers who use branches – and they remain critical to our customers.

In Greater Washington, we have committed to provide \$4 billion in regional home and small business lending, plus \$500 million for affordable rental housing, and the new branches will be key to doing that. Core to our strategy is making sure our branches reflect the communities they serve. That's why roughly 20 percent of our branches in Greater Washington will reside in low- and moderate-income communities.

With our company healthy and performing well, we knew the time was right to expand our branch network to enable us to lend to more consumers and further invest in our communities.

More branches also mean we are able to offer more good jobs. By the end of 2018, we had opened five new branches in Greater Washington and hired nearly 90 new employees, with plans to hire about 600 more throughout Virginia, Maryland and D.C. Entry-level employees will be paid no less than \$18 an hour in Washington, D.C., and will receive the firm's full benefits package, valued at an average of \$12,000 a year. And we are actively working to hire locally by partnering with government employment agencies, nonprofit partners and universities.

We are putting this strategy into motion in other markets across the country. By the end of 2018, we had opened the first of 60 new branches planned for New England and the first of approximately 50 new branches planned for Philadelphia and the Delaware Valley region.



Larry Hogan, Governor of Maryland

Our administration is pleased that Chase is expanding its footprint in Maryland and bringing more jobs, affordable housing and community investment. This is a terrific example of how Maryland is working with world-class companies to bring about real change and greater opportunities in our state and our region, from new jobs and workforce training to small business growth.

Through our existing business efforts in the Greater Washington region, JPMorgan Chase:



increased our minimum wage in D.C. to

\$18/hour



committed \$4B

to regional home and small business lending



committed \$500M

to affordable rental housing



Pillars

of Inclusive Growth



By **Karen Persichilli Keogh**, Head of Global Philanthropy, JPMorgan Chase & Co.

Leveraging Our Strengths to Deepen Our Impact

Five years ago, our firm put into motion what has proved to be an effective formula for advancing economic opportunity in the communities we serve. Our model focuses on four key pillars of opportunity – jobs and skills, small business expansion, neighborhood revitalization and financial health – where we can leverage our core business expertise.

While we are enormously gratified by the model's success, we are constantly looking for ways to deepen our impact. One way we are doing this is by more extensively and deliberately tapping into our employees' skills to advance innovative and sustainable solutions in cities.

A key part of our employee engagement and volunteerism strategy is harnessing our people's expertise to strengthen nonprofits that are helping those who are being left behind. Through our field Service Corps, teams of our colleagues work on-site with our nonprofit partners to solve a specific challenge. The program has had a tremendous impact, so we looked for a way to scale it. That's the idea behind the virtual Service Corps, through which employees volunteer to assist nonprofits, but do so remotely. In 2018, we also launched

a program to encourage our employees to serve on nonprofit boards, which is one of the deepest ways for them to turn their expertise and networks into meaningful contributions to their communities.

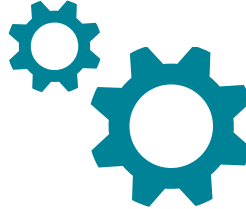
We are putting our people's skills to work in other ways as well. For example, JPMorgan Chase employees serve as mentors for the small business and social enterprises that are part of the Financial Solutions Lab – an initiative to develop products and services that address the needs of low- and moderate-income Americans – and the Founders program, which helps female entrepreneurs in the U.K. and France grow their businesses. Through The Fellowship Initiative and The Schools Challenge, employees around the world mentor young people from disadvantaged backgrounds to help them get on the path to educational and career success.

As announced in early 2018, JPMorgan Chase will deploy \$1.75 billion in philanthropic capital around the world by 2023. And, as evidenced by these and other programs that engage our employees in our efforts, our firm is not only devoting its financial resources to supporting our communities, but also leveraging its greatest strengths to ensure those resources make a real difference in people's lives.

VOLUNTEERING BY THE NUMBERS IN 2018

- Nearly **59,000** employees volunteered.
- **218** employee volunteers from offices in **15** countries contributed **18,500** hours of time working with **49** of our nonprofit partners through the JPMorgan Chase Service Corps.
- Within the first **3** months of the firm's Board Match program, **271** employees contributed to the nonprofits whose boards they serve on, resulting in the firm matching more than **\$1.3 million** to those organizations.

Jobs and Skills



The Future of Work is Now

The future of work isn't in some distant time – it's here. As the global economy transforms our labor market, it is imperative we also transform how we prepare people to compete for the good jobs in our communities. According to McKinsey, more than 30 percent of the U.S. labor market and 375 million workers globally will need to change jobs or upgrade their skills significantly by 2030 to continue to advance within the workforce.

Our firm is tackling the workforce readiness challenge with the urgency it warrants.

That's why in 2013 we launched New Skills at Work, a five-year, \$250 million global initiative to equip adults and youth with the skills needed to get on a solid career path, while strengthening the talent pipeline employers need to grow and compete.

One key thing we've learned through New Skills at Work is the value of building training programs based on timely, clear and actionable labor market data. Equipped with insights that show what jobs are in demand and what skills they require, educators and job training providers can direct their programs down the right path. That's why we are supporting next-generation data resources such as the Good Jobs Index, which allows users to explore the entire U.S. labor market for the 30 million jobs that currently exist with a median salary of \$56,000 and that do not require a bachelor's degree.

Our firm's focus on connecting workers to opportunity is still going strong, and we continue to learn from and build on this work.

In early 2019, we announced the next chapter of New Skills at Work with a new five-year, \$350 million global investment focused on building the workforce of the future.

Jonathan Lumé is a graduate of the Brooklyn Workforce Innovations' "Made in New York" Production Assistant Training Program, a workforce development initiative supported by JPMorgan Chase.

NEW SKILLS AT WORK

Over the last 5 years, our work has reached:

 nearly **150,000** individuals

 about **740** nonprofits

 **30** U.S. states as well as Washington, D.C.

 **37** countries



Next Phase of New Skills at Work

We know the surest way to expand access to opportunity is to equip people with the skills needed to compete for well-paying, in-demand jobs that are available today and tomorrow. As a result, our new \$350 million commitment is focusing on the populations most at risk of getting left behind as technological developments change industries and career pathways. And we are committed to career training education and job training programs that provide skills aligned with these changes and create economic mobility for more people.

A big part of our renewed approach is bolstering community colleges in the U.S. With open admissions policies and lower costs relative to other institutions, community colleges play a vital role in creating pathways to opportunity. Applying what we've learned over the past few years, we are focusing on making stronger connections between community college programs and employer needs, and also partnering with the Aspen Institute on groundbreaking work to build the next generation of diverse community college leadership.

We are driving innovation to support workers around the world. Partnering with best-in-class community organizations, we are developing and testing new job training and career education initiatives designed to meet the skill needs of the future. We are also investing in time-tested models like apprenticeships – and expanding their use in nontraditional sectors like health care and technology – while also creating greater access to these initiatives by underrepresented populations.

To inform our own internal talent efforts, our firm is applying the insights learned through this work to our own employees. For example, we are connecting with academic institutions to shine a light on career pathways into and within our firm. We are also investing in our existing employees through upskilling and reskilling efforts that help them prepare for and advance to new and emerging roles.



Ruben Diaz Jr., Bronx Borough President

We have to make sure our young people are leaving school with the skills they need to enter the workforce, so that they can get a good job that offers a solid foundation for building a career and future in the Bronx. The number of skilled workers we'll need is only going to grow, and this investment from JPMorgan Chase is going to significantly help bridge the gap between schools and the in-demand workforce.

In Conversation Preparing our Global Workforce

At an event we hosted in early 2019 on the future of work, we asked Robin Leopold, JPMorgan Chase's Head of Human Resources, about our firm's workforce development strategy and how it connects to our broader efforts to equip people with the skills they need for in-demand jobs. Here is what she told us.



Robin Leopold (left), Head of Human Resources at JPMorgan Chase, talks with **Juan Salgado**, Chancellor of City Colleges of Chicago, about developing tomorrow's talent.

How is JPMorgan Chase preparing the firm's workforce for the future?

Traditional career paths are changing due to automation, digital transformation and evolving business needs. We are building a culture that supports self-driven learning and prepares employees for the future, investing \$250 million annually in training. And we have proactively defined a set of future skills and training programs for wholesale operations roles, such as data analytics, tech literacy skills and risk controls.

What are examples that illustrate the firm's strategy for expanding skill building for job seekers?

Our firm is working with community colleges, apprenticeship programs, bootcamps and other partners to bring in diverse talent. Some programs provide future employees with technology skills: The Houston Apprenticeship Program offers Houston Community College graduates a one-year paid apprenticeship program that prepares people for technology roles at the firm. Other programs focus on employee reskilling and upskilling, such as the Operations to Technology Pathway Program, where high-performing operations employees interested in transitioning into technology participate in a 48-week customized Java training program at Columbus State Community College.

How do you see JPMorgan Chase combining its philanthropic investments with its business to create a stronger workforce?

We are committed to investing in our employees and the communities we serve. One of the firm's key global initiatives, New Skills at Work, is focused on helping people build skills that are aligned with business demands, and helping employers build a talent pipeline that enables them to grow and compete. We also recently launched Advancing Black Pathways (ABP), an initiative that focuses on improving education and job readiness for black students. In addition, we know that wage disparities continue to exist that limit economic opportunity. To help address this, we have increased wages 10 percent on average – ranging from between \$15 and \$18 an hour – for 22,000 employees who primarily work in our branches or customer service centers.

Launching a Career Through Apprenticeship

Crystal Garay has always been interested in technology. So when she heard about a unique opportunity that allowed her to get hands-on, paid experience working in tech while still in high school, she eagerly took it.

That opportunity was an apprenticeship through CareerWise, an innovative three-year program in which students can pick their area of interest for the apprenticeship, such as financial services or advanced manufacturing, as well as enroll in related college classes. Garay chose information technology.

“When I heard that an apprenticeship was going to help you with school and ... college, I knew I needed to do this,” she says. “My parents didn’t have the opportunity to go to college. I took the risk, and so far it’s been worth it.”

Garay, now 18 and a senior in high school, works part time with the Office of Information Technology at the University of Colorado, Denver. There, she has learned professional skills, including how to use Excel, answer campus data access requests and communicate with vendors and clients.

Working alongside IT professionals has given her a totally new perspective. “It’s a very different environment than being in school with students,” she says. “I’ve learned to be more professional and communicate better with people. I feel like I have more skills, and am more capable, than I was a year ago.”

With her newfound skills, Garay is looking beyond her final year of high school. An introductory coding course at the university sparked her interest, and now she wants to study computer science in college.

Garay is grateful for the apprenticeship, which has presented her with a much clearer path for her future than she had when she started. “I’ve had so many doors opened,” says Garay, who was nominated in 2018 for the APEX Youth Tech Leader of the Year by the Colorado Technology Association. “Knowing that I’m being rewarded and recognized for my work is a huge deal for me. It feels nice to make my family proud.”



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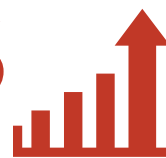
The future of the workforce is a truly global discussion, and our firm supports these efforts in 37 countries. Because jobs are changing as a result of the profound impacts of automation and technology, we are constantly working with partners around the world to test new ideas, apply new approaches and build core skills while making sure we understand how they impact the most vulnerable populations.



Jennie Sparandara, Head of Workforce Initiatives, Corporate Responsibility, JPMorgan Chase & Co.

Small Business

Fueling Thriving Communities



What does your local fitness studio or nail salon have to do with inclusive growth around the world? Everything. Small businesses create jobs, improve neighborhoods, provide basic necessities and support communities where people want to live and spend their money. They are the building blocks of widespread economic opportunity for all.

Through Chase for Business, JPMorgan Chase supports the passion and purpose of entrepreneurs. And through Small Business Forward, our five-year, \$150 million philanthropic initiative, we are working to ensure women, minority and veteran entrepreneurs get a fair shot at pursuing their dreams. JPMorgan Chase is making a big impact on helping small businesses of all kinds succeed.

Access to Capital

The success of minority, women and veteran entrepreneurs is essential for thriving communities, yet these populations are more likely to face barriers to traditional financing, such as limited credit histories or fewer cash resources. A key component to our strategy for breaking down these barriers is seeding and scaling high-impact models that expand access to flexible capital. In 2015, JPMorgan Chase, along with the W.K. Kellogg Foundation and Detroit Development Fund, created a \$6.5 million Entrepreneurs of Color Fund in Detroit to provide minority-owned small businesses with access to capital and technical assistance.

Since its launch, the Detroit fund has tripled in size to more than \$22 million and has lent or approved nearly \$6.6 million to 79 minority small businesses, resulting in more than 830 new or preserved jobs. Building on the success of Detroit's Entrepreneurs of Color Fund, JPMorgan Chase has expanded the model

to San Francisco, the South Bronx, the Greater Washington region and Chicago, and is committing more than \$11 million across these cities to seed similar loan funds.

Providing Business Support

Capital is just one piece of the puzzle minority entrepreneurs need to succeed. Access to essential tools, resources and networks is another. That's why JPMorgan Chase is also supporting initiatives such as Ascend 2020, a collaboration with the University of Washington's Foster School of Business, which links business schools, business service-providing organizations and community development financial institutions to minority-owned businesses. In 2018, JPMorgan Chase provided \$2.5 million to expand the program over the next three years from six U.S. cities to 10. The expansion will formalize business education, consulting services and partnerships with anchor institutions that are committed to increasing spending with minority-owned firms.



FORTUNE

Change the World list, Sept. 2018

Lending rules designed to curb risk can keep promising startups in low-income communities from getting financing.

JPMorgan Chase has leapt that hurdle with its Entrepreneurs of Color Funds, which team with local nonprofits to steer funding to small businesses. Having proved the concept in Detroit, the bank this year set up new [Entrepreneurs of Color Funds] in Chicago, the South Bronx, and the Bay Area.



Over the years, we have learned so much about how to successfully work with partners and implement approaches that poise diverse small businesses for success. This year, we are expanding on the seeds we've planted and are excited about the impact we're having.

Ted Archer, Head of Small Business Forward, JPMorgan Chase & Co.



Diversifying Incubators

We are also making targeted investments to help diversify high-growth sectors. This includes making sure women and minorities are more fairly represented in the incubators and accelerators that are the launch pads that turn today's fledgling startups into tomorrow's success stories. One example is our \$500,000 commitment to DID Technology Inc. (digitalundivided), an incubator that supports women of color in tech-focused entrepreneurship. Our support is boosting two digitalundivided projects: expanding a 26-week incubator for startups founded by women of color and publishing the second version of #ProjectDiane, digitalundivided's proprietary research study about the state of black and Latinx women founders in tech.

Meet the Entrepreneurs

In cities across the United States, Entrepreneurs of Color Funds are helping underserved small business owners reach for – and achieve – their dreams. To date, Entrepreneurs of Color Funds across the country have lent or approved **\$9.5 million** to more than **200 minority small businesses**, resulting in over **1,200 new or preserved jobs**.



Patty Rodriguez
SF Parking
San Francisco, California

Patty Rodriguez believes in giving people second chances. She founded SF Parking in 2011 and hires formerly incarcerated individuals to help them get back on their feet after serving time in prison. SF Parking operates two parking lots in San Francisco and manages the employee parking garage at San Francisco International Airport. After growing her business, Rodriguez got a loan through the Entrepreneurs of Color Fund to help expand her municipal contracts.

Rodriguez estimates that she has employed more than 200 people in full-time and part-time work over the years. “Providing a job gives that person a chance to move on with their lives and stay out of trouble,” Rodriguez says. “They’ve paid their debt to society, and all they want to do is put their life right. Just give them a chance.”



Deon Lucas
E.G. Woode
Chicago, Illinois

Chicago native Deon Lucas developed a passion for architecture in high school, and joined a large firm after college. But he’s always been an entrepreneur at heart. In 2016, Lucas saw an opportunity to start his own architecture practice, as well as to design space for other small businesses.

After bringing together other small business owners in the Englewood area, Lucas was awarded a grant for the development of real estate projects. He then turned to the Entrepreneurs of Color Fund for the capital to purchase a vacant 4,000-square-foot space in Englewood, which will include his firm, a co-op barbershop and café, and a retail consignment shop.

“When you go to a lender or investor, they often expect you to be at a certain level before they want to do business with you,” Lucas says. “But people aren’t there because they haven’t been given the chance yet.”



Yosara Trujillo
Sweet Water Dance & Yoga
South Bronx, New York

Yosara Trujillo opened Sweet Water Dance & Yoga after realizing that a place to relax and renew was missing – and deeply needed – in her South Bronx community. She put together a basic business plan and found a large rental space in the neighborhood, which became the home for her new business, a holistic wellness hub with a range of fitness, dance, yoga, meditation and other classes for people of all ages and interests.

Trujillo was the first recipient of a loan from the South Bronx Entrepreneurs of Color Fund. “I can’t begin to tell you how much of a difference this has made, how much better everything is – the business, my life, our future,” says Trujillo. “We have a cash-flow cushion, we have financial breathing room. We can create new revenue opportunities, like offering retail items for sale, because we can build inventory.”



myWay to Credit: Leveraging Our Core Business to Get to “Yes”

The ability to get a loan can make or break a small business’s success. But when an entrepreneur doesn’t qualify for a traditional loan, can he or she still make it? JPMorgan Chase believes that more small business owners deserve the chance to get to “yes.”

Our support of the Association for Enterprise Opportunity – a national nonprofit organization dedicated to changing the way that capital and services flow to underserved businesses – helped launch myWay to Credit, the first-ever bank referral marketplace for small business lending. The service gives viable options to small businesses that don’t currently qualify for traditional financing, by connecting them to a vetted network of community lenders who might offer more flexible financing and to small business mentors who can help with advice and resources that can lead to securing a loan. This budding program is showing promising results: Since its launch in late 2017, more than 450 small business owners have been matched to a community development financial institution (CDFI) and 220 small businesses matched with a mentor. To date, 26 percent of all applications referred through the platform have been approved.

Through Chase for Business, we are helping customers such as Yahaira Caraballo, who owns Nail Glam Studios in the South Bronx. After being referred to myWay to Credit through a Chase representative, she received business guidance and a \$40,000 loan from Excelsior Growth Fund, a CDFI that provides loans and advisory services. She plans to use the funds for equipment upgrades. “I was so determined to get a loan because I wanted to make sure I didn’t have to fall back on my savings when updating these appliances,” she says. “There is so much potential in the South Bronx, and I would really like to create more jobs and more areas of work for people in the community.”

SUPPLIER DIVERSITY: USING OUR PURCHASING POWER TO ADVANCE ECONOMIC OPPORTUNITY

Data shows that when it comes to wealth, employment, education and access, black families disproportionately lag behind other ethnic groups. Through Advancing Black Pathways, JPMorgan Chase is working to help close the gap to economic success for black business owners, families and communities. Launched in 2019 and building on our firm’s existing programs, Advancing Black Pathways coordinates and amplifies our efforts by focusing on three avenues to opportunity: education, careers and wealth.

Leveraging our firm’s purchasing power is one way we are helping increase the vitality of black businesses and communities. Through our long-standing supplier diversity program, we proactively support diverse suppliers – including small businesses – so they can scale. This empowers black businesses to serve more customers, which in turn creates more jobs and boosts local economies.

As the Initiative for a Competitive Inner City reports, the nearly 1 million minority-owned businesses with paid employees in the U.S. contribute \$1.2 trillion in revenue and 8 million jobs to the economy.

Our supplier diversity efforts can be seen in the Greater Washington region, where 40 percent of our branch construction spending has been with diverse suppliers. In addition, as the Entrepreneurs of Color Fund expands to Greater Washington, it will work with partners to secure contracts from local anchor institutions, which have committed to purchasing more than \$2 billion in supplies and services from diverse businesses in the region. And in 2018, JPMorgan Chase’s commitment to cultivating business relationships with firms owned and operated by minorities, women and other historically underrepresented groups resulted in the firm spending more than \$2 billion with diverse businesses.

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Supplier diversity is not only a great way to grow a business, it is also a smart way to drive economic growth. ‘Doing well by doing good’ enables us to strengthen the small businesses that are vital to the long-term health of black communities.



Sekou Kaalund, Head of Advancing Black Pathways, JPMorgan Chase & Co.

Top Left:

Yahaira Caraballo, owner of Nail Glam Studios in the South Bronx.

Neighborhood Revitalization



Expanding the Geography of Opportunity

A person's ZIP code can shape his or her future. Research shows that individuals from low-income families who grow up in communities with good schools, adequate housing and job opportunities see improved economic outcomes for children and families. With economic opportunity deeply rooted in neighborhood conditions, it's more important than ever to ensure that development efforts, even in high-growth cities and those on the verge of a turnaround, extend to the most vulnerable residents. It's also essential that existing residents in high-cost neighborhoods benefit from new investments and do not get displaced.

Through Partnerships for Raising Opportunity in Neighborhoods (PRO Neighborhoods), JPMorgan Chase is helping scale and catalyze locally driven and comprehensive solutions to challenges faced by neighborhoods that experience concentrated poverty and neglect.

As part of this \$125 million philanthropic initiative, we are supporting innovative approaches to promote thriving, opportunity-rich neighborhoods.

A key part of our strategy is providing seed capital to support affordable and sustainable housing models that include proximity to the things that matter most to families and communities, such as employment, healthy food and transportation. It also includes harnessing demographic and economic data to better understand community needs so that local leaders can make informed decisions. For example, research from the JPMorgan Chase Institute found

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Every family should have access to opportunities that enable them to thrive and succeed regardless of where they are born. To tackle these complex neighborhood challenges, we equip local leaders with the data to understand the biggest challenges facing their communities and to mobilize comprehensive solutions to ensure economic growth is shared by all residents.



Colleen Briggs, Head of Community Innovation, JPMorgan Chase & Co.

that Chicago residents on the South and West sides travel more than twice as far than those on the North side to purchase groceries and other everyday goods and services. In the South Shore and Pullman neighborhoods on the South side, residents traveled 4.9 and 4.6 miles, respectively, from home for the typical purchase, while residents in the North side's West Ridge and North Park traveled only 1.9 and 1.6 miles, respectively. These insights inform our work with Chicago Community Loan Fund to finance projects that can improve access to services in these neighborhoods.

Finally, we've learned that competition is a great way to incentivize partners to come together to create change.

The PRO Neighborhoods competition brings together CDFIs to tackle a specific challenge in their communities. In 2018, we held our fifth annual PRO Neighborhoods competition, which identified CDFI collaboratives that advance plans for neighborhood development where all residents can thrive. These plans use data to diagnose challenges in their communities and incorporate the local community in the design and implementation of solutions.

PRO NEIGHBORHOODS

5 competitions
\$98M awarded to over 70 CDFIs

FIRST 3 COMPETITIONS DELIVER RESULTS*

\$713M in outside capital raised
21,000 loans made to low- and moderate-income customers
3,000 affordable housing units created or preserved
11,000 quality jobs created or preserved

*From Joint Center for Housing Studies of Harvard University "PRO Neighborhoods Progress Report 2018."

In Pursuit of Community-Driven Development in Philadelphia and Oakland

Philadelphia's Kensington neighborhood is a community with dedicated residents and high-capacity community organizations. Unfortunately, Kensington has experienced years of disinvestment, which has led to a cycle of intergenerational poverty, deteriorating housing stock and high crime. The area has also been hit hard by the opioid crisis.

With the collective force of collaboration and partnership between residents, businesses, service providers, city agencies and financial institutions, Kensington is making a return toward safety, health and prosperity.

PRO Neighborhoods 2018 competition winner Kensington del Corazón Collaborative, which brings together four Philadelphia-based CDFIs (Philadelphia Local Initiatives Support Corporation, Impact Loan Fund, FINANTA and Community First Fund), is committed to making Kensington a better place to live and work. Guided by its residents, the collaborative has developed a community-centered neighborhood plan to reduce disparities and takes the health, safety and education of its residents into consideration. As part of the plan, the collaborative is combining its expertise to offer loans to cultivate local entrepreneurs, attract new businesses and finance redevelopment of mixed-use properties. In addition, the collaborative will offer coaching and technical assistance for business owners and provide pathways to homeownership and affordable rental housing for residents.

Gaining Insights in Oakland

PRO Oakland, a 2015 PRO Neighborhoods winner, offered valuable insight into what makes a neighborhood strategy truly effective. Like Kensington, some Oakland neighborhoods suffer from lack of investment and are looking for ways to improve a commercial corridor. Oakland's strategy included targeting a specific neighborhood to concentrate the impact of its efforts and focusing on key development principles that have been shown to be the most effective, such as using data and involving the community. It also highlighted the importance of creating intentional plans to reach the most vulnerable populations, collaborating with residents and public and private leaders, using forward-looking data to inform and track efforts, and applying technology to scale impact. The result of the strategy has been loans, grants and technical assistance to aid small businesses and nonprofits that are helping to fend off displacement and the other effects of a runaway real estate market.

For example, PRO Oakland partners made 55 loans totaling nearly \$10 million during the first 13 months of this effort. These loans supported the preservation of 138 units of affordable housing and the creation of a 13,000-square-foot community space. PRO Oakland Collaborative lead Northern California Community Loan Fund was able to offer a low-rate product that helped spur the development of affordable housing in East Oakland. And collaborative partner Main Street Launch – an organization that supports small business owners with capital, education and networking – has been offering lending and consulting products that support small businesses and nonprofits during a planned transit service interruption.



North Philadelphia's Kensington Neighborhood.

Applying What Works in Philadelphia

Building on the lessons learned in Oakland, we have evolved our strategy to focus on key community-driven principles and a comprehensive approach. This is exactly what the Philadelphia collaborative has done. It created a data-driven neighborhood plan with input from over 450 residents and community members, focusing on the most vulnerable populations in the community and addressing the local culture and history. It coordinated a multisector plan that included government, nonprofit and business engagement. And it developed a "collective impact model" that looks to solve problems from a variety of angles, including financing mixed-use development, supporting small businesses through capital and coaching, and encouraging pathways to homeownership and affordable rental housing options. It will also leverage technology to create a shared lending platform to improve efficiencies. Finally, and most important, it is addressing the unique challenges that its residents face. For example, given the effects of violence in the community, it has launched a trauma-informed community development plan that acknowledges the signs and symptoms of trauma, integrates this knowledge into policies and procedures and works to avoid re-traumatization.

“Market forces make neighborhood change inevitable,” says Casey O'Donnell, president of Impact Loan Fund, a CDFI collaborative partner. “With equitable development as both an end goal and a guiding principle we want to ensure that neighborhood change does not displace current residents, but we also recognize the power of racial and socioeconomic diversity. We believe that with true diversity and the access to capital that the JPMorgan Chase PRO Neighborhoods funding affords, we can ensure that a high tide raises all boats.”

The strategy is already delivering positive returns to the community. In 2018, the collaborative worked with real estate developer Shift Capital to launch Jumpstart Kensington, which provides mentoring, networking and financing options for community members who want to learn how to become developers. The program's first training cohort has graduated, and

about half had submitted loan applications by the end of 2018. The collaborative is also developing a large mixed-use building for a displaced group of homeless people, which has garnered additional capital from the city.

The collaborative is measuring its impact over time. “We have identified key economic development, housing and community objectives, such as increasing active commercial spaces, increasing homeownership opportunities for residents and improving financial health,” says Andy Frishkoff, executive director of Philadelphia LISC, the lead CDFI organization. “We are honing some of the impact measurements for these objectives, but they will include the number of reactivated vacant commercial spaces, the number of new homeowners and participation in financial education. These will be meaningful if they help address our goals, such as employed residents, self-sufficient and stable in their homes.”



Joint Center for Housing Studies of Harvard University
“PRO Neighborhoods Progress Report 2018,” Oct. 5, 2018

This initiative has provided flexible long-term capital grants aimed at increasing the flow of capital into underserved communities, enlarging the capacity of small CDFIs, fostering innovation in programs and products, demonstrating expandable models for community development, and fostering equitable and inclusive economic development.



2018 PRO NEIGHBORHOODS WINNERS

The 2018 winners, which included four CDFI collaboratives plus 14 planning grant collaboratives around the country, received a total of \$16 million in funding from PRO Neighborhoods.

FRESNO COMMUNITY CAPITAL COLLABORATIVE FOR ECONOMIC MOBILITY

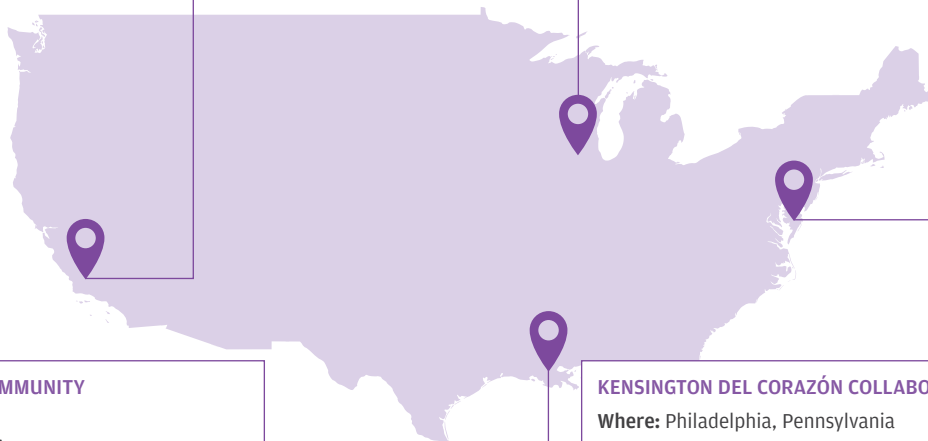
Where: Fresno, California

What: Loans and technical assistance to residents, business owners and property owners to build wealth, improve homes and spur economic activity in disinvested areas.

BREW CITY MATCH

Where: Milwaukee, Wisconsin

What: Loans and technical assistance to help small businesses in commercial districts around downtown to take advantage of increased private development in the downtown area.



CLAIBORNE CORRIDOR COMMUNITY DEVELOPMENT PLAN

Where: New Orleans, Louisiana

What: Loans to support community revitalization and address the challenges of displacement in the Claiborne Corridor by building wealth for low- and moderate-income and minority families and small business owners.

KENSINGTON DEL CORAZÓN COLLABORATIVE

Where: Philadelphia, Pennsylvania

What: Loans to support small businesses and mixed-use developments along the Kensington Avenue commercial corridor.

Financial Health

Helping People Build a Stronger Financial Future



Living without a strong financial foundation can be precarious. Research from the JPMorgan Chase Institute found that expenses fluctuate by 29 percent – nearly \$1,300 – on a month-to-month basis for median-income U.S. households. And a study by the Federal Reserve found that 40 percent of adults would not be able to cover an unexpected \$400 expense without borrowing or selling something. The result is that many people of all income levels are one unanticipated expense away from a financial crisis that could be devastating to their families and to their health.

To address these challenges, JPMorgan Chase is supporting and scaling innovative models that help people improve their financial health – not only to manage their daily financial lives, but also to withstand unexpected shocks and realize their dreams of buying a home, paying for college and achieving their long-term goals.

That's where The Financial Solutions Lab (FinLab) comes in. This \$30 million, five-year initiative managed by the Center for Financial Services Innovation in collaboration with JPMorgan Chase hosts an annual challenge for social entrepreneurs to identify, test and bring to scale promising innovations that address the financial needs of low- and moderate-income Americans.

We've taken this successful model global. For example, this year, JPMorgan Chase has collaborated with the Indian Institute of Management Ahmedabad's Centre for Innovation Incubation (IIMA-CIIE) to launch the Financial Inclusion Lab in India. The new initiative, part of IIMA-CIIE's Bharat Inclusion Initiative (BII), which is a collaboration between J.P. Morgan,

Omidyar Network, Michael & Susan Dell Foundation and Bill & Melinda Gates Foundation, is aimed at bringing to scale early-stage fintech startups in India that are focused on helping those who earn \$2-10 a day. The Financial Inclusion Lab draws key insights from FinLab's success and adapts them to the marketplace in India, where more than 40 percent of the population has not accessed financial services enabled by technology.

Over the next four years, JPMorgan Chase will provide up to \$7 million toward this initiative – our firm's largest single philanthropic commitment in India.

Following the U.S. model, the Financial Inclusion Lab held its first challenge in 2018. The 11 winners proposed solutions that include technology-based strategies that will make it easier for low- and middle-income people, farmers and small entrepreneurs in India to save money, get loans, create a credit score and access financial tools. The winners receive support, capital, strategic guidance, market access and mentorship to build, test and scale their products.

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Through the Financial Solutions Lab, JPMorgan Chase is leveraging our consumer insights and industry experience to promote financial security. Our goal is to improve Americans' financial health by supporting scalable, digital products and by looking for ways to extend these insights and solutions globally.



Jed Laskowitz, CEO, Intelligent Digital Solutions, JPMorgan Chase & Co.

Making an Impact Through the Financial Solutions Lab

To date, FinLab has supported more than **30** financial technology companies from more than **1,600** total applicants. Cohort alumni are offering innovative financial products that reach over **4 million** people in the U.S. and have seen **20 times** user growth since joining FinLab. Collectively, FinLab companies have raised over **\$500 million** in capital since joining the program and have helped U.S. residents save over **\$1 billion**.

4M reached

\$1B saved

\$500M raised



DEMOCRATIZING TECHNOLOGY, ONE APP AT A TIME

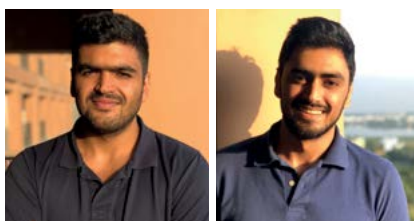
Mobile technology enables millions of low-income people globally to access products and services, financial tools and other resources to improve their lives. Yet almost 800 million low-literate people are unable to take advantage of these benefits.

Financial Inclusion Lab winner Navana Tech addresses this gap. The company, based in Bengaluru, India, is working to create a voice- and image-based software toolkit that will serve as a platform for companies to make their offerings more accessible to low-literate users. According to international financial inclusion consulting firm MicroSave, more than 40 percent of the Indian population has not accessed financial services enabled by technology. Navana hopes to empower more low-income, low-literate users to access the financial tools and products that can improve their financial health. The company was founded by brothers Raoul and Jai Navanati, who now serve as the chief executive officer and chief technology officer, respectively.

Raoul Navanati says that most mobile apps were created for literate users, but the ubiquitous texting and Western iconography leave low-literate people behind. Texting is not possible for someone who doesn't read. And a shopping cart icon, for instance, doesn't make any sense

to a farmer from a village where there are no supermarkets because he or she might never have seen one. "This is the gap we need to fill to empower our users to be independent and confident while using their smartphones," says Raoul Navanati. In India, Navana is targeting farmers, rural-urban migrant workers, truckers and cab drivers, many of whom have lower than a fifth-grade education.

The Navanati brothers are thrilled about the support from the Financial Inclusion Lab, which has been key to the company's evolution. "The grant funding, the network and technical support have all come together to be a potent and effective mix for a company at our stage," says Raoul Navanati. Currently, Navana is looking to expand its seven-person team to 10 in order to reach its five-year goal of providing 150 million low-literate users with text-free tools across India, Africa and South America.



Navana Tech's CEO **Raoul Navanati** (left) and Chief Technology Officer **Jai Navanati**.



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The Financial Inclusion Lab will leverage technology and develop innovative solutions that will allow India's underserved communities to better access financial services that are appropriate for their financial needs. Our global presence, scale and successful Financial Solutions Lab model in the U.S. provide us with unique insight into these issues and the ability to approach them comprehensively and remove barriers to economic opportunity.



Kalpana Morparia, CEO, South and South East Asia, JPMorgan Chase & Co.

2018 INDIA FINANCIAL INCLUSION LAB WINNERS

Easyplan helps young Indians save money in a simple and effective way in a digital goal-based savings bank account.

ExpressMOJO offers a technology platform for small fleet owners and individual drivers/owners to directly connect with customers.

Finlok brings together communities and friends on a digital platform that allows them to save and borrow from each other.

GramCover works with insurers to create simple, affordable and easy-to-understand insurance products, using technology to deliver them to India's rural population.

Jai Kisan has an e-commerce platform that uses multiple data points to create a credit score for small-scale farmers and enables them to access low-cost capital to purchase discounted agri-input and equipment.

Kaarva offers quick access to small credit with a pay-what-you-like model, to help low- and middle-income-salaried customers meet short-term financial needs.

MunshiG provides an affordable and intuitive voice-based solution for small grocery stores to manage their inventory and bookkeeping.

Navana Tech uses voice-assisted and image-based digital interfaces to improve access for individuals with low levels of literacy.

SureClaim is an intelligent claim platform that helps process insurance claims.

WonderLend Hubs is a digital platform that uses financial and social data to create credit profiles, resulting in shortened turnaround times and lower rejection rates for borrowers who lack sufficient credit history.

XtraCap uses Goods and Services Tax data to assess the credit risk of small businesses, providing them access to short-term liquidity against supplier invoices.

7

Traits

of Advancing Cities



By **Janis Bowdler**, President of the JPMorgan Chase Foundation

Cities Are Stepping Up

Barriers to economic opportunity are not an abstract theory for me. I experienced them firsthand. Growing up in a working-class home outside Cleveland, Ohio, I lived four blocks from the dividing line between two school districts. The discrepancy between the high school I attended – which served mostly lower-income kids like me – and the one I would have gone to had I lived just a few blocks to the east was stark. An understanding of how much neighborhoods matter motivated me to work hard to overcome the obstacles I faced. And, ultimately was the driving force that shaped my career, including my formative years in community development in Cleveland's East side neighborhoods, the ten years I spent advocating on behalf of Latinx families at UnidosUS (formerly National Council of La Raza) and now in my role at JPMorgan Chase.

This idea is also behind our firm's push to expand opportunity in cities, where we are working to make sure a person's ZIP code does not predetermine his or her economic and social success. We are focused on cities because today, more than ever, cities are seeing the biggest global challenges land on their doorsteps, from income disparity and climate change to gun violence and homelessness. At the same time, it is in cities that we are seeing the public, private and nonprofit sectors best flexing their collaboration muscles and pragmatically tackling tough problems.

By virtue of what our firm does, we have a unique vantage point into what is working in cities.

Around the world, we provide financial services that businesses, residents and governments depend on.

We are also a large employer in many cities, states and countries. We have unrivaled data and expertise about the economy. And we have strong partnerships with community leaders and local organizations.

All of this has provided us with a host of insights into the conditions that must exist for a city to meaningfully expand opportunity for its residents – as well as the traits of cities that are most effectively doing so. We call these “advancing cities.”

The traits that follow reflect key insights we have gained from our work in cities, along with the perspectives of our deeply knowledgeable partners. They showcase real-world examples that demonstrate progress is possible when people embrace a “we’re in it together” pragmatism. And we believe these contain powerful lessons that can be put into practice by others working to create cities and communities where my story is not the exception; rather, all residents have the opportunity to share in the rewards of a growing economy.

Advancing Cities ...



Lead and Collaborate



Plan for Inclusive Growth



Tackle a Big Problem by Starting Small



Invest in Data



Activate Community Support



Engage Anchor Institutions



Take Risks, Adjust and Iterate





Mural within Detroit's Eastern Market, which JPMorgan Chase has helped support.

TRAIT 1



Lead and Collaborate

Aerial view of
Washington, D.C.

Advancing cities embrace collaboration as a fundamental principle. They promote solid partnerships across the business, nonprofit and political sectors to solve pressing problems. And by uniting around a common vision and shared goals, partners are able to put aside their differences and play their part to find solutions. The most successful collaborations leverage the unique strengths, skills and resources of each partner, making the whole stronger than the sum of its parts.

Cities that foster collaboration have:

- **Strong political leaders** with the will, skill, commitment and courage to put political beliefs aside and make the tough decisions necessary for their cities to thrive.
- **Deep nonprofit expertise** so these organizations can work deliberately and thoughtfully to create opportunity and deliver and sustain change in the community.
- **Private sector engagement** with an understanding that business has an essential role to play in solving urgent challenges – and that doing so is good for business.

GREATER WASHINGTON REGION

Working across sectors, geographies and jurisdictions is not easy. It takes planning, strong civic and business leadership, and a commitment to do what is right for the long term. This is the philosophy behind the Greater Washington Partnership (GWP). This coalition of civic-minded business leaders is collaborating to drive growth and create economic opportunity from Baltimore to Washington, D.C., and to Richmond, collectively the seventh-largest regional economy in the world. In joining together, the members of GWP saw not only tremendous economic opportunity for the region but also the challenges that needed to be addressed if the region were to grow within the global economy.

One of GWP's key areas of focus is helping people build the skills that employers need – and that are the ticket to entry for well-paying, in-demand jobs in the region's fast-growing technology sector. GWP recognized that one of the best ways to strengthen the tech talent pipeline is to build a connection between employers and educators. That's why, with support from JPMorgan Chase, it is developing a region wide system for collecting information from employers about the skills and qualifications they need, and sharing it with educational



partners across the region, from higher education to high schools. Educators can then use that insight to design curricula that prepare graduates to enter the labor market and seize the career opportunities the region has to offer. This effort is the cornerstone of JPMorgan's New Skills for Youth Greater Washington Initiative, where five regional school districts will build their capacity to offer high-quality career pathways to local students so that more of them are able to take advantage of the region's economic growth.

With better labor market information like this, GWP is putting its cross-sector, problem-solving ethos into action through the Capital CoLAB (Collaborative of Leaders in Academia and Business). Launched in 2018, CoLAB brings together 12 area universities and 14 regional employers – including JPMorgan Chase – to strengthen the digital capabilities of the region's workforce. One way CoLAB works is by creating region-specific credentials, developed jointly by business and universities. In a region that has the third-largest digital technology workforce in the United States, better data and partnerships across business and education are a surefire way to boost economic growth and create new avenues of opportunity.

Creating the workforce of the future is an ambitious task. But the Greater Washington region is showing that when the public, private and nonprofit sectors work together, anything is possible.

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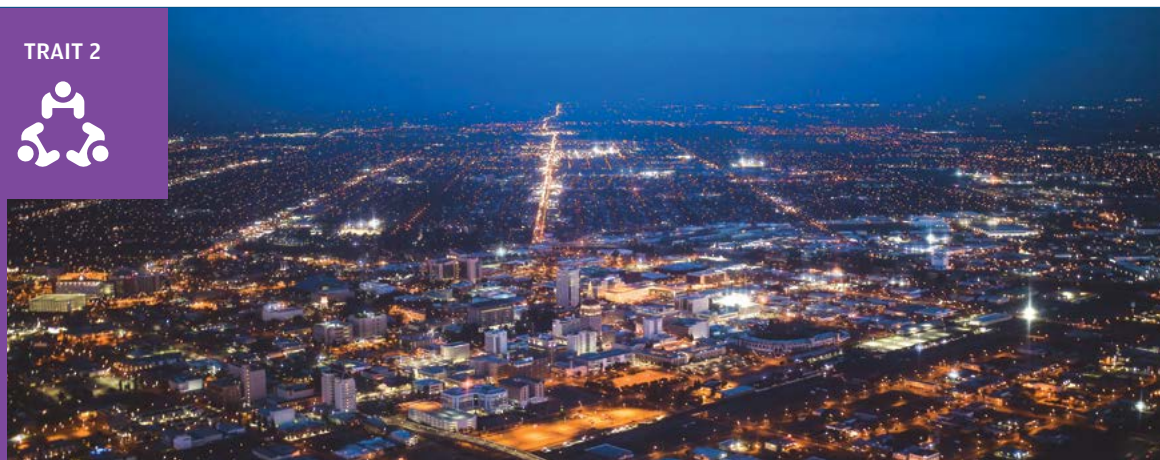
Mike Rawlings, Mayor of Dallas, Texas

It's a powerful force for good when public institutions and private sector leaders form partnerships to prepare our youth for high-skill, high-wage jobs.

Cutting Edge of Nonprofit Leadership

JPMorgan Chase works to help nonprofits accomplish their essential missions. While these organizations work tirelessly on urgent issues, they sometimes don't have the resources to dedicate to management training. For the first time, JPMorgan Chase is offering Leadership Edge, the firm's in-house leadership development program, to nonprofit leaders in Washington, D.C., and Chicago. Through the program, these leaders enhance their individual and team-building skills, from problem solving to managing talent. In 2018, 50 nonprofit leaders attended the two-day training – and then went back to their organizations to immediately put into action new skills and tools to help increase their operational capacity in continued pursuit of their mission.

TRAIT 2



Aerial view of
Fresno, California.

Plan for Inclusive Growth

When it comes to creating communities where everyone benefits from economic growth, planning is everything. Today's advancing cities are focused on more than just "growth for growth's sake." Instead, they are encouraging innovative ideas for economic growth that helps those most at risk of being left behind. This kind of thoughtful development is often bottom-up, closely connected to and driven by local residents, rather than being top-down solutions imposed on the community. With forward-thinking strategies focused on inclusion and opportunity, successful cities are creating more diverse and vibrant places where people want to live, work and play.

FRESNO, CALIFORNIA

When city leaders learned that Fresno had been ranked as the city in America with the highest level of concentrated poverty, they were devastated. This dubious ranking, along with other data that showed Fresno's poverty levels were on par with those of the poorest regions of the country, confirmed what those living in distressed areas already knew too well: Too many people in Fresno, particularly those in historic and core neighborhoods, were left behind.

Instead of giving up, the city stepped up. City leaders coalesced around a new sense of purpose – to urgently change course by charting an intentional path that would lead to more inclusive growth.

In 2010, city officials, under then Mayor Ashley Swearengin's leadership, decided to tackle the entrenched conditions that had led to rampant

poverty and unemployment, such as bad land-use policy and urban sprawl. The intentional approach featured two years of community engagement to uncover challenges and identify practical, community-based solutions. It also created partnerships and provided education and resources for low-income residents to stay informed and connected about the changes affecting their community.

This deliberate approach led to substantial results. In 2014, the city enacted policies that included an updated general plan and development code, which created Fresno's first mixed-use zoning districts along the city's major transit corridors and focused development inward with an eye toward renewing underserved neighborhoods. Today, the city continues to focus on enacting good policy, engaging its residents, investing in and revitalizing civic infrastructure and a range of other strategies aimed at ensuring Fresno's development benefits all its residents.

Through JPMorgan Chase's PRO Neighborhoods competition, the firm is supporting efforts that build on the city's thoughtful plan for inclusive growth. In 2018, the firm made a philanthropic investment in a collaborative – centered around Central Valley Community Foundation, Access Plus Capital, The Northern California Community Loan Fund and Opportunity Fund – that supports loans and technical assistance for residents, business owners and property owners to build wealth, improve homes and spur economic activity in Fresno's most underserved neighborhoods.



Henry Cisneros, Former Mayor of San Antonio, Texas, and 10th U.S. Secretary of Housing and Urban Development

Many cities undertake economic development with a purpose: to extend opportunity to those who have been marginalized and to those who have been left behind. And that means commensurate job training, educational strategies and human capital investment with an intentional futuristic economic focus. Where you find those things, there is a much better seedbed for successful investments of all kinds.



Tackle a Big Problem by Starting Small

Cities face big challenges. Sometimes the best way to tackle them is to start small. Often it's simply a matter of taking the first step in the right direction. Doing so requires that solving the problem, however small, aligns with a city's strategy for economic growth – and lays the foundation for addressing larger, more complex issues. Breaking problems down into smaller parts allows cities to fully understand how the problems manifest and affect individual neighborhoods and people. This allows cities to test different solutions and then apply what works to more people and places.

SOUTH FLORIDA (MIAMI, GAINESVILLE)

South Florida has had its share of natural disasters. As the climate continues to change, average temperatures and sea levels are projected to rise and more extreme weather is likely to follow. Unfortunately, underserved communities are often most affected by these disasters, and they are unable to recover quickly. And storms leave lasting damage in their wake, both physical and economic. For example, the JPMorgan Chase Institute found that in Miami, Hurricane Irma disrupted family health care spending and debt payments, which both dropped and had still not recovered to baseline levels more than two months after the storm.

South Florida is taking small steps that add up to the big system-wide changes needed so that everyone is better prepared when disaster strikes. These steps include working with small businesses to prepare in the event their cash flow is disrupted after a natural disaster and researching building codes and flood zone regulations that could affect housing affordability.

JPMorgan Chase has invested in a number of programs in South Florida that tackle important parts of the larger challenges caused by extreme weather. For example, the firm is supporting Catalyst Miami's efforts to establish women-owned worker cooperatives. Cooperatives will add an economic development layer to Catalyst's "resilience hubs" initiative, which helps residents in low-income neighborhoods with basic needs in times of crisis, such as a hurricane. Cooperatives provide employment, job stability and higher wages, and keep capital within a community – all important features of community-level resilience.

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Mike Duggan, Mayor of Detroit, Michigan

When I started in Detroit, half the streetlights were out, buses didn't run, ambulances took an hour to show up. So first it's about the basic details. But now we've morphed to building a city where the recovery includes everybody.

JPMorgan Chase is also supporting the efforts of the University of Florida (UF), Shimberg Center for Housing Studies at UF, Enterprise Community Partners and National Low Income Housing Coalition to gather information on how disasters might affect low- and moderate-income households. The partners are building a public database to identify the neighborhoods most at risk of impact from flooding, storms and rising sea levels. They are also working on an economic model that will show the effects of disasters on affordable housing stock. Armed with this information, policymakers and others can understand which communities are most at risk so they can better help them prepare for the future.

In an effort to give policymakers tools to identify and address risks to their communities, we are supporting The Miami Foundation's work to coordinate a dialogue among community leaders within Miami-Dade County on strategies to advance greater community resilience. The goal of this convening is to ensure that Miami-Dade County and the 34 municipalities within the county can work together to advance complementary initiatives, thereby improving the resiliency of the entire region.

Shoreline along the coast of South Florida.



TRAIT 4



London, England.

Invest in Data

A solution not driven by data is simply guessing. That's why advancing cities are laser-focused on using data to solve pressing problems. This requires high-quality data that is clear and accessible to all. Disaggregated and easily digestible data empowers leaders and community advocates with good, actionable information. It uncovers the root causes of problems and sheds light on disparities and other challenges happening in plain sight. It reveals the most accurate story of a neighborhood or population, or the issues that matter most to a community. When this happens, cities and their residents can make the most informed decisions – and the strongest case for focused policies that lead to greater economic opportunities.

LONDON, ENGLAND

How do different communities define prosperity? The London Prosperity Board wants to find out. Collaborating with a number of private and public sector partners, and with the support of JPMorgan Chase, the Board is harnessing data to create a new way of measuring prosperity based on the priorities of local communities.

The Board's East London Prosperity Index looks beyond traditional metrics to focus on what people who live and work in East London truly value. The index highlights five areas, including health and healthy environments; belonging, identity and culture; and opportunities and aspirations. Once these indicators of prosperity are defined, the data can be used to assess whether communities are experiencing sustainable, inclusive growth and where gaps exist and solutions are needed. For example, the Index is now being used in London's Heath Ward – one of 17 wards that make up the borough of Barking and Dagenham – to give leaders a more accurate understanding of residents' needs, including levels of household debt. The Prosperity Index has also led to the development of a unique ward-level index on social progress, which is being used to understand the well-being of residents and drive resource allocation decisions. As a result, local leaders and partners established The Community Food Club, which enables financially challenged people and families to access low-cost fresh groceries and free financial support and advice.

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Henrietta Moore, Director, Institute for Global Prosperity

We're using data to help jurisdictions actually know where they are on the continuum of inclusive growth. Since everybody doesn't start at the same place, data enables cities to understand which neighborhoods need investment.



Activate Community Support

Engaged and active communities are the lifeblood of any thriving city. That's why smart city leaders involve local communities early and often in economic decision making. When this happens, citizens become ambassadors who help carry the work forward in meaningful, and more effective, ways. Because the community is engaged and involved, cities can develop solutions that are responsive to their residents' needs and reflect a shared vision of the future.

Buy-in benefits everyone. Cities can harness the community's knowledge, experience and networks. And residents, small business owners and other community members can play a vital role in planning, development and investment decisions that directly affect them. Ultimately, when real buy-in happens, citizens become advocates, policies are enacted and governments are held accountable for their promises and actions.

NEW ORLEANS, LOUISIANA

In the aftermath of Hurricane Katrina, it seemed that everyone had a plan to help displaced New Orleanians find sustainable housing. Yet amid all of the plans and studies, action was slow to take hold.

That's when the community stepped in. A group of more than 1,800 New Orleanians came together to create HousingNOLA, a partnership working to solve New Orleans' affordable housing crisis, which created a comprehensive 10-year housing strategy for the City of New Orleans. With the support of JPMorgan Chase, HousingNOLA and its Lenders Roundtable then developed a Community Development Finance Plan that outlines the financial costs and funding necessary to support HousingNOLA's 10-year plan.

HousingNOLA, NewCorp and LiftFund created a formal partnership that aims to introduce innovative affordable housing development strategies to meet residents' housing needs while retaining the community's culture. These strategies include working with minority- and women-owned contractors, property owners and developers to build up the capacity of local talent so that typically underrepresented community members can benefit from the new development.

The community-driven process has given residents a voice when they have often felt like they didn't have one. At the same time, HousingNOLA is ensuring that the city understands how to meet the needs of residents and better address the problems of crime and violence often caused by a lack of opportunity, including affordable housing.

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Angela Glover Blackwell, Founder in Residence, PolicyLink

Recognizing that if we want to make an improvement in cities, we have to start with the residents. Respect people in the community enough to expose them to data, innovation, policy and advocacy. When we get the ball going, it's the power of the people.



Andreanecia Morris, executive director of HousingNOLA, discusses the group's Community Development Finance Plan with community members.

TRAIT 6



Engage Anchor Institutions

Advancing cities make the most of their assets by leveraging the power of their anchor institutions and creating a shared responsibility for the community. Whether a university, medical center or big business, these institutions often serve as a major hub of innovation and inclusion. As a result, they have a responsibility to support and drive local economic growth in the communities around them.

Partnerships between these institutions, local residents and city leaders can play a vital role in lifting up surrounding neighborhoods, fostering community engagement and recruiting other businesses to support the local economy. This means hiring locally, paying good wages, improving infrastructure like public transit and spurring new businesses like restaurants to open up nearby. This is not just good for the community; it's in these institutions' interest to make meaningful local investments that benefit everyone.

COLUMBUS, OHIO

Access to safe, clean and affordable housing is a key social determinant of health. In Columbus, Nationwide Children's Hospital is putting a stake in the ground when it comes to housing its neighbors. With partners such as JPMorgan Chase, this respected anchor institution – the largest pediatric hospital in America – has launched Healthy Neighborhoods Healthy Families Realty Collaborative, an affordable housing initiative aimed at rehabbing houses and providing workforce rental housing around the hospital. The Realty Collaborative is a joint venture with Community Development for All People (CD4AP).

CD4AP functions as the primary community connector between Nationwide Children's Hospital and the people living on the South side of Columbus. In this role, CD4AP develops lasting relationships with neighborhood residents as it provides a variety of direct services, including a fresh market, a free store and youth development programming to 25,000 low-income people each year.

Along with city and community groups, the Realty Collaborative has renovated vacant homes for resale, built new affordable rental housing and provided homeowners with grants to fund renovations on their homes. Between 2009 and 2018, a total of 331 homes were built, renovated or repaired at a cost of \$25.6 million.

One of Nationwide Children's Hospital's renovated Healthy Homes on Columbus' South side.

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Andrew Ginther, Mayor of Columbus, Ohio

Affordable housing is a key issue for residents of Columbus and the surrounding areas. Working with partners like Nationwide Children's Hospital has helped us create mixed-income neighborhoods along the Parsons Avenue corridor. Together, we are providing more residents with adequate housing, which in turn benefits the stabilization of more families and communities.

Take Risks, Adjust and Iterate

Taking risks often comes with great rewards. Successful cities are boldly working to find new solutions to long-standing challenges. They have the courage to try creative and innovative approaches. These efforts don't always work exactly as planned at first. And that's OK. It just means these cities gain insights, change what isn't working, try again – and repeat. The willingness to take risks, adjust and iterate is the hallmark of any successful city. And as these cities know, taking this approach spurs innovation and opens up a world of possibilities that might have been previously unimaginable.

SAN FRANCISCO, CALIFORNIA

No matter the city, small businesses are critical engines of economic opportunity. In the San Francisco Bay area, a region synonymous with innovation and technology, it stands to reason that an effective way to harness that engine would be to help entrepreneurs launch high-tech small businesses. So, a few years ago, that's what JPMorgan Chase sought to do by supporting small business clusters – geographic concentrations of sector-specific companies, suppliers and academic institutions – in San Francisco and elsewhere across the U.S.

This approach yielded real results for the businesses it helped launch, but the firm saw it wasn't moving the needle to directly benefit the most underserved entrepreneurs at the scale that was necessary.

JPMorgan Chase adjusted its approach by refocusing its small business efforts to support women, minority and veteran entrepreneurs – groups that face the biggest barriers to small business success – in any sector. In California, for example, people of color were three times more likely to start a small business, yet they were three times as likely to be turned down for loans. Fast-forward to 2018, when the firm launched the San Francisco Entrepreneurs of Color Fund. The effort brings together local nonprofits Working Solutions, ICA Fund Good Jobs and Pacific Community Ventures to make low-cost capital and business consulting available to people of color who are starting or growing businesses in San Francisco. The fund builds on the successful model JPMorgan Chase pioneered in Detroit – and demonstrates that trying new approaches, learning and adjusting can make a real impact.



San Francisco's Mission District.

TRAIT 7



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Patricia E. Harris, CEO, Bloomberg Philanthropies

To make real progress solving today's toughest challenges, we must be unafraid to take risks. Like JPMorgan Chase, we test, learn and adapt. We're entrepreneurial at heart and apply the best lessons from business and government to the management of our global philanthropic work.

Cover Artwork and Artists

Young Talent Joins the Creative Economy



The murals on the cover of this report were created by Arts on the Block, a Maryland-based nonprofit mosaic studio that offers a professional apprenticeship program for teens. Through the program, young people who might not otherwise be introduced to careers in art and design have an outlet for creative expression while also receiving job training, learning studio skills and contributing to their communities.

The organization focuses on community-based art. Before a project, apprentices meet with local residents and business owners to understand what their neighborhood means to them. With support from alumni and staff, the apprentices develop, manage and install a mural that reflects the essence of that community.

In 2018, JPMorgan Chase partnered with Arts on the Block on a series of interior and exterior murals at three of our new branch locations in the Greater Washington region – including in Historic Anacostia's growing arts district – with plans for more in the future. In addition to beautifying these new branches, these pieces of art are lasting symbols of our branches' connections and relationships in local communities.

Visit www.jpmorganchase.com/cr to watch the murals come to life.

CEO of Chase Consumer Banking
Thasunda Duckett (second from left) with artists (left to right)
Shantisa Brooks, Jada Batts
and **Jorden Robinson**.



The Color of Community (Front cover left)

Installed at a Chase branch in Anacostia, Nov. 9, 2018

“For this piece I wanted to mix up some Anacostia history with its culture. Anacostia has many shades of people of color. I used the hands to represent different types of people. The keyboard stripes are inspired by a recognizable historic piece in Anacostia called the Big Chair. The vertical stripes on the top of the Big Chair inspired the colorful keyboard pattern here.”

Jada Batts, lead artist for Arts on the Block



Uplifting (Front cover right)

Installed at a Chase branch in Anacostia, Nov. 9, 2018

“I felt [this piece] should show community and compassion. I wanted to portray a community member helping their neighbor, showing how sympathy and kindness can prevail. So even outside of our communities we can share this hope that lending a helping hand can make a difference.”

Shantisa Brooks, lead artist for Arts on the Block



Unity in Color (Back cover)

Installed at a Chase branch in Anacostia, Nov. 9, 2018

“This piece conveys a message about thinking in a different perspective to help encourage the community to not think monochromatic, but instead to think in color. I wanted a sense of unity and vigor to be conveyed to demonstrate that even in turbulent times, differences do not matter. A community can always band together to make a colorful creation. Just like the vibrant world around us, our community is established by residents who come in a variety of shades and hues.”

Shantisa Brooks, lead artist for Arts on the Block

AWARDS AND RECOGNITION

Ranked in the Top 10 on **FORTUNE's**
World's Most Admired Companies list

Named to **FORTUNE's** Change the World list
for the second year in a row

Named to the **Chronicle of Philanthropy's**
Top 20 Corporate Givers list

Recipient of **International Medical Corps'**
2018 Global Citizen Award

Named a **2018 ENERGY STAR® Partner**
of the Year, recognized by the U.S.
Environmental Protection Agency and U.S.
Department of Energy

Named to **Black Enterprise's**
50 Best Companies for Diversity list

Named to the **2018 Military Times**
Best for Vets Employer list

Harvard Business School (in a 2018 case
study) profiled the firm's model for impact
in Detroit and how it's being applied in
other cities

Recipient of the **Association of Fundraising**
Professionals Greater Detroit Chapter's
2018 Outstanding Corporation Award

Corporate Responsibility at JPMorgan Chase & Co.

At JPMorgan Chase, we are combining the best of our business and philanthropic resources – as well as our expertise, partnerships and data – to drive inclusive growth in communities around the world. Corporate responsibility is integral to how we conduct our business. Our multifaceted approach extends across and informs a range of activities and functions.

For more information on how we are opening pathways to economic opportunity around the world, sign up for our quarterly newsletter.

www.jpmorganchase.com/cr

Learn about how our firm manages **Environmental, Social and Governance** issues within our business.

www.jpmorganchase.com/esg

Explore research from the **JPMorgan Chase Institute**, an economic think tank that is dedicated to delivering data-rich analyses and expert insights for the public good.

www.jpmorganchase.com/institute

Learn more about our **Military and Veterans** initiatives.

www.jpmorganchase.com/veterans



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