Pillar 3 Quarterly Disclosure Report as at 31st December 2016

- J.P. Morgan Capital Holdings Limited
- J.P. Morgan Securities plc.

Introduction

Background

The need to assess whether an institution should disclose some information more frequently than annually, under Part Eight of the Capital Requirements Regulation ('CRR')¹, originates in Article 433 and the requirements are further articulated in the European Banking Authority ('EBA') Guidelines² ('the Guidelines'), which were adopted by the Prudential Regulation Authority ('PRA') from 15th October 2015.³

All J.P. Morgan Chase entities regulated under the Capital Requirements Directive IV ('CRD IV')⁴ have applied the Guidelines by:

- Enhancing the Pillar 3 process to include a full assessment of the need to publish data more frequently than annually;
 and
- Identifying the key data elements to disclose in order to meet the needs of potential users of the disclosure.

Scope

J.P. Morgan Capital Holdings Limited ('JPMCHL') is the highest consolidated level of J.P. Morgan entities within the UK and is defined as an Other Systemically Important Institution ('O-SII') as disclosed by the EBA on 25th April 2016.

All J.P. Morgan European regulated entities have been considered for more frequent disclosure. The internal assessment process (under Title II of Guidelines) to determine which J.P. Morgan entities should disclose more frequently than annually concluded that both JPMCHL and J.P. Morgan Securities Plc ('JPMS plc') are the only European entities meeting the qualitative and quantitative thresholds to necessitate more frequent disclosure.

No items have been omitted due to confidentiality, materiality or for proprietary reasons under Titles III and IV of the Guidelines.

The data disclosed in this document represents disclosure for the fourth quarter of 2016, as at 31st December 2016 and is produced on an unaudited basis.

Any line items that are not applicable have been hidden for presentation purposes.

Means of Disclosure (Art. 434)

The disclosure report is made available according to Article 434 CRR on the website of JPMorgan Chase & Co. ('JPMC') at http://investor.shareholder.com/jpmorganchase/sec.cfm. The latest Annual disclosure is also available via this link.

Firmwide Disclosure

The ultimate parent of the entities in scope of this disclosure is JPMorgan Chase & Co., which is incorporated in the United States of America. Firmwide disclosure is made under the Basel III requirement available at the below link. In addition, the U.S. Securities and Exchange Commission filings made at the firmwide level, 10K and 10Q, provide further information at the following link: http://investor.shareholder.com/jpmorganchase/sec.cfm.

¹ Capital Requirements Regulation (CRR) / Regulation [EU] No. 575/2013

² EBA Guidelines on materiality, proprietary and confidentiality and on disclosure frequency 23 December 2014

³ PRA expectation of firms' compliance with EBA/GL/2014/14: http://www.bankofengland.co.uk/pra/Pages/crdiv/updates.aspx

⁴ Capital Requirements Directive (CRD IV) / Regulation [EU] Directive 2013/36/EU

1. Own Funds (Art. 437)

Capital resources represent the amount of regulatory capital available to an entity to cover all risks. Defined under the CRR, capital resources are designated into two tiers, Tier 1 and Tier 2. Tier 1 capital consists of Common Equity Tier 1 ('CET1') and Additional Tier 1 ('AT1'). CET1 is the highest quality of capital and typically represents share capital, reserves and audited profit; AT1 contains hybrid debt instruments; Tier 2 capital typically consists of subordinated debt and other eligible capital instruments.

The information represented in the tables below constitutes the applicable data elements for Own Funds identified in Title VII of the Guidelines.

The final column represents the capital position on a fully-phased in basis after all CRR transitional provisions have expired and phase-out of grandfathered capital instruments under pre-CRR national transposition measures is complete.

Table 1: CRD IV Regulatory Capital for JPMCHL as at 31st December 2016

Trans	itional Own Funds Disclosure Template (\$'m)	Amount at Disclosure Date	Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
Comn	non Equity Tier 1 (CET1) Capital: Instruments and Reserves			
1	Capital instruments and the related share premium accounts	8,081	26 (1), 27, 28, 29, EBA list 26 (3)	8,081
	of which: Ordinary shares	8,081	EBA list 26 (3)	8,081
2	Retained earnings	24,853	26 (1) (c)	24,853
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	7,561	26 (1)	7,561
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	40,495		40,495
Comn	non Equity Tier 1 (CET1) Capital: Regulatory Adjustments			
7	Additional value adjustments (negative amount)	(1,132)	34, 105	(1,132)
8	Intangible assets (net of related tax liability) (negative amount)	(133)	36 (1) (b), 37, 472 (4)	(133)
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	(11)		0
	of which: Filter for unrealised gains relating to available-for-sale financial assets reserve on equity instruments	(11)	468	0
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(1,276)		(1,265)
29	Common Equity Tier 1 (CET1) capital	39,219		39,230
Addit	ional Tier 1 (AT1) Capital: Instruments			
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	47	85, 86	0
35	of which: instruments issued by subsidiaries subject to phase out	47	486 (3)	0
36	Additional Tier 1 (AT1) capital before regulatory adjustments	47		0
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	(2)	477, 477 (3), 477 (4) (a)	0
	of which: Significant investments in the capital of other financial sector entities	(2)		0
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	(2)		0
44	Additional Tier 1 (AT1) capital	45		0
45	Tier 1 capital (T1 = CET1 + AT1)	39,264		39,230
Tier 2	(T2) Capital: Instruments and Provisions			
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	31	87, 88, 480	79
51	Tier 2 (T2) capital before regulatory adjustments	31		79
Tier 2	(T2) Capital: Regulatory Adjustments			
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(8)	66 (d), 69, 79, 477 (4)	(10)
57	Total regulatory adjustments to Tier 2 (T2) capital	(8)		(10)
58	Tier 2 (T2) capital	23		69

Trans	Transitional Own Funds Disclosure Template (\$'m)		Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
59	Total capital (TC = T1 + T2)	39,287		39,299
60	Total risk weighted assets	209,524		209,524
Capit	al Ratios and Buffers			
61	Common Equity Tier 1 ratio	18.7%	92 (2) (a), 465	18.7%
62	Tier 1 ratio	18.7%	92 (2) (b), 465	18.7%
63	Total capital ratio	18.8%	92 (2) (c)	18.8%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus systematically important institution buffer expressed as a percentage of risk exposure amount)	5.2%	CRD IV 128, 129, 130	7.1%
65	of which: capital conservation buffer requirement	0.6%		2.5%
66	of which: countercyclical buffer requirement	0.1%		0.1%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	10.8%	CRD IV 128	10.8%
Amou	ints Below the Thresholds for Deduction (Before Risk Weighting)			
72	Direct, indirect and synthetic holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	3,225	36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	3,225
73	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	356	36 (1), (i), 45, 48, 470, 472 (11)	356
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	189	36 (1) (c), 38, 48, 470, 472 (5)	189

Table 2: CRD IV Regulatory Capital for JPMS Plc as at 31st December 2016

Transi	tional Own Funds Disclosure Template (\$'m)	Amount at Disclosure Date	Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
Comm	on Equity Tier 1 (CET1) Capital: Instruments and Reserves			
1	Capital instruments and the related share premium accounts	20,348	26 (1), 27, 28, 29, EBA list 26 (3)	20,348
	of which: Ordinary shares	20,348	EBA list 26 (3)	20,348
2	Retained earnings	7,008	26 (1) (c)	7,008
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	1,777	26 (1)	1,777
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	29,133		29,133
Comm	on Equity Tier 1 (CET1) Capital: Regulatory Adjustments			
7	Additional value adjustments (negative amount)	(1,131)	34, 105	(1,131)
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	(664)	36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79, 470, 472 (11)	(915)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(1,795)		(2,046)
29	Common Equity Tier 1 (CET1) capital	27,338		27,087
Additio	onal Tier 1 (AT1) Capital: Instruments			
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	3,092	486 (3)	0
36	Additional Tier 1 (AT1) capital before regulatory adjustments	3,092		0
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	(2)	477, 477 (3), 477 (4) (a)	0
	of which: Significant investments in the capital of other financial sector entities	(2)		0
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	(2)		0
44	Additional Tier 1 (AT1) capital	3,090		0
45	Tier 1 capital (T1 = CET1 + AT1)	30,428		27,087
Tier 2	(T2) Capital: Instruments and Provisions			
46	Capital instruments and the related share premium accounts	4,096	62,63	7,188
51	Tier 2 (T2) capital before regulatory adjustments	4,096		7,188
Tier 2	(T2) Capital: Regulatory Adjustments			
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	(8)	66 (d), 69, 79, 477 (4)	(10)
57	Total regulatory adjustments to Tier 2 (T2) capital	(8)		(10)
58	Tier 2 (T2) capital	4,088		7,178
59	Total capital (TC = T1 + T2)	34,516		34,265
60	Total risk weighted assets	198,205		197,579
Capita	l Ratios and Buffers			
61	Common Equity Tier 1 ratio	13.8%	92 (2) (a), 465	13.7%
62	Tier 1 ratio	15.4%	92 (2) (b), 465	13.7%
63	Total capital ratio	17.4%	92 (2) (c)	17.3%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus systematically important institution buffer expressed as a percentage of risk exposure amount)	5.2%	CRD IV 128, 129, 130	7.1%
65	of which: capital conservation buffer requirement	0.6%		2.5%
66	of which: countercyclical buffer requirement	0.1%		0.1%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	9.3%	CRD IV 128	7.7%

Transitional Own Funds Disclosure Template (\$'m)		Amount at Disclosure Date	Regulation (EU) No 575/2013 Article Reference	Fully-Phased in Position
Amou	nts Below the Thresholds for Deduction (Before Risk Weighting)			
72	Direct, indirect and synthetic holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	2,215	36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	2,215
73	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	2,800	36 (1), (i), 45, 48, 470, 472 (11)	2,800
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	95	36 (1) (c), 38, 48, 470, 472 (5)	95
	Il Instruments Subject to Phase-Out Arrangements (Only Applicable Between 2014 and 1 Jan 2022)			
82	Current cap on AT1 instruments subject to phase out arrangements	3,092	484 (4), 486 (3) &	3,092
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	2,061	(5) 484 (4), 486 (3) & (5)	2,061

Own Funds Reconciliation

The tables below present a reconciliation between unaudited balance sheet own funds and regulatory own funds as at 31st December 2016 in accordance with the requirements set out in Commission Implementing Regulation (EU) No 1423/2013.

Table 3: Reconciliation of Regulatory Own Funds to Balance Sheet for JPMCHL as at 31st December 2016

Regulatory Own Funds Reconciliation to Balance Sheet	\$'m
CET1 Capital	
406,909,774 Ordinary Shares of \$10 each	4,069
Share Premium Account	4,012
Pension Reserve	(43)
Other Reserves	7,604
Retained Earnings	27,374
CET1 Capital - Balance Sheet Own Funds	43,016
Less Regulatory Adjustments	
(-) Unaudited Profit	(2,521)
(-) Intangible Assets Goodwill	(133)
(-) Foreseeable Dividends	0
(-) Additional Valuation Adjustments	(1,132)
(-) Available for Sale Financial Asset Reserve	(11)
CET1 Capital - Regulatory Own Funds After Adjustments	39,219
AT1 Capital	
AT1 Capital - Balance Sheet Own Funds	0
AT1 Capital - Qualifying Own Funds	47
Less Regulatory Adjustments	
(-) Other Transitional Adjustments to AT1 Capital	(2)
AT1 Capital - Regulatory Own Funds After Adjustments	45
T2 Capital	
T2 Capital - Balance Sheet Own Funds	0
T2 Capital - Qualifying Own Funds	31
Less Regulatory Adjustments	
(-) T2 instruments of financial sector entities where the institution has a significant investment	(10)
(+) Other transitional adjustments to T2 Capital	2
T2 Capital - Regulatory Own Funds After Adjustments	23
Total Regulatory Own Funds	39,287

Table 4: Reconciliation of Regulatory Own Funds to Balance Sheet for JPMS plc as at 31st December 2016

Regulatory Own Funds Reconciliation to Balance Sheet	\$'m
CET1 Capital	
1,039,262 Ordinary Shares of \$10,000 each	10,393
50,000 Ordinary Shares of £1.24 each	0
Share Premium Account	9,955
Other Reserves	1,777
Retained Earnings	10,141
CET1 Capital - Balance Sheet Own Funds	32,266
Less Regulatory Adjustments	
(-) Unaudited Profit	(3,133)
(-) Foreseeable Dividends	0
(-) Additional Valuation Adjustments	(1,131)
(-) CET1 Instruments of Significant Investments Above 10% Threshold for Deduction	(914)
(+) PRA Transitional Adjustment for CET1 Instruments of Significant Investments Within the Consolidation Group	250
CET1 Capital - Regulatory Own Funds After Adjustments	27,338
	AT1 Capital
AT1 Capital - Balance Sheet Own Funds	0
Less Regulatory Adjustments	
(+) PRA Transitional Adjustment for Grandfathered AT1 Capital Instruments	3,092
(-) Other Transitional Adjustments to AT1 Capital	(2)
AT1 Capital - Regulatory Own Funds After Adjustments	3,090
	T2 Capital
34,648 Preferred Ordinary Shares of \$10,000 Each*	346
5 Year Floating Rate of \$10,000 Each (Preference Shares)*	2,650
10 Year Fixed Rate of \$10,000 Each (Preference Shares)*	2,157
20 Year Fixed Rate of \$10,000 Each (Preference Shares)	2,000
Subordinated Loan 04/12/2017	180
T2 Capital - Balance Sheet Own Funds	7,333
Less Regulatory Adjustments	
(-) PRA Transitional Adjustment for T2 Instruments Grandfathered and Recognised as AT1 Capital Instruments	(3,091)
(-) Amortisation of Subordinated Loan 04/12/2017	(146)
(-) T2 instruments of financial sector entities where the institution has a significant investment	(10)
(+) Other transitional adjustments to T2 Capital	2
T2 Capital - Regulatory Own Funds After Adjustments	4,088
Total Regulatory Own Funds	34,516
* Grandfathered instruments eligible for recognition in AT1 subject to limits as per CRR Article 486	<u> </u>

^{*} Grandfathered instruments eligible for recognition in AT1 subject to limits as per CRR Article 486

Main Features of Capital Instruments

The table below presents the main features of regulatory capital instruments for JPMCHL and JPMS plc as at 31st December 2016 and as required by Commission Implementing Regulation (EU) No 1423/2013. The terms and conditions for these instruments can be found on the Companies House website.

Table 5: Main Features of Regulatory Capital Instruments for JPMCHL and JPMS plc as at 31st December 2016

		JPMCHL JPMS plc								
Car	oital Instruments Main	CET1	CET1	CET1	CET1	AT1 / T2	AT1 / T2	AT1 / T2	T2	T2
•	Features (\$'m)	\$10 ordinary shares	\$10,000 ordinary shares	£1 ordinary shares			10 year fixed 5 year floating preference shares preference shares		20 year fixed preference shares	\$180mm subordinated loan
1	Issuer	JPMCHL	JPMS plc	JPMS plc	JPMS plc	JPMS plc	JPMS plc	JPMS plc	JPMS plc	JPMS plc
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Private Placement	Private Placement	Private Placement	Private Placement	Private Placement	Private Placement	Private Placement	Private Placement	Private Placement
3	Governing law(s) of the instrument	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	The Companies Act 2006	Contracts (Rights of Third Parties) Act 1999
	tory treatment									
4	Transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Additional Tier 1 / Tier 2	Additional Tier 1 / Tier 2	Additional Tier 1 / Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules Eligible at solo/(sub-)consolidated/	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
	solo&(sub-)consolidated	Consolidated	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	\$ Ordinary	\$ Ordinary	£ Ordinary	£ Ordinary	\$ Preference	\$ Preference	\$ Preferred ordinary	\$ Preference	\$ Subordinated Ioan
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	8,081 includes nominal and premium	20,348 includes nominal and premium	0	0	1,294 - AT1 / 863 - T2	1,590 - AT1 / 1,060 - T2	208 AT1 / 138 - T2	2,000	34
9	Nominal amount of instrument	10	10,000	1	1	10,000	10,000	10,000	10,000	180
9a	Issue price	10	10,000	1	1.24	10,000	10,000	10,000	10,000	1
9b 10	Redemption price Accounting classification	N/A Shareholders' equity	N/A Shareholders' equity	N/A Shareholders' equity	N/A Shareholders' equity	10,000 Shareholders' equity	10,000 Shareholders' equity	10,000 Shareholders' equity	10,000 Shareholders' equity	100% Liability
11	Original date of issuance	\$0.2m Nov 18 1999 \$2,000m Jan 25 2000 \$959m Nov 2 2000 \$1,110m Apr 9 2002 \$0.01m Dec 12 2006 \$0.01m Mar 7 2007 \$0.01m Oct 15 2007	\$647m Oct 22 1991 \$290m Mar 1 2000 \$500m Jan 2 2007 \$278m Jan 12 2007 \$270m Dec 1 2008 \$230m Dec 4 2008 \$1,200m Dec 16 2008 \$300m Jan 30 2009 \$2,000m Dec 20 2010 \$2,274m May 27 2011 \$362m Dec 12 2011 \$1,263m Dec 16 2013 \$116m Dec 2 2014	\$0.00004m Oct 27 1999	\$0.1m May 28 2012	\$2,087m Oct 30 2007 \$70m Dec 4 2007	\$510m Jun 9 2004 \$325m Dec 22 2004 \$302m Feb 23 2005 \$450m Nov 17 2005 \$150m Mar 2 2006 \$200m Mar 20 2006 \$713m Oct 1 2007	\$346m Mar 26 2002	\$2,000 m Jan 31 2011	\$180m 11 December 2007
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated
13	Original maturity date Issuer call subject to prior	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity	No maturity	14 December 2017
	supervisory approval	No	No	No	No	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	26 October 2017/Par	10 June 2009/Par	26 March 2007/Par	01 February 2021/Par	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Coupoi 17	ns / dividends Fixed or floating dividend/coupon	N/A	N/A	N/A	N/A	Fixed-rate	Floating-rate	N/A	Fixed-rate	Floating-rate
18	Coupon rate and any related index	N/A	N/A	N/A	N/A	2.75% and 2.85% above 10 year treasury at time of issue	0.9% + 12 month US\$ LIBOR	0.9% + 12 month US\$ LIBOR	8%	0.9% + 3 month US\$ LIBOR
19	Existence of a dividend stopper	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Partially discretionary	Fully discretionary	Fully discretionary	Mandatory
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory

Capital Instruments Main Features (\$'m)		JPMCHL				JPMS į	plc			
		CET1	CET1	CET1	CET1	AT1 / T2	AT1 / T2	AT1 / T2	T2	T2
		\$10 ordinary shares	\$10,000 ordinary shares	£1 ordinary shares	£1.24 ordinary shares	10 year fixed preference shares	5 year floating preference shares	\$10,000 preferred ordinary shares	20 year fixed preference shares	\$180mm subordinated loan
21	Existence of step up or other incentive to redeem	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
22	Noncumulative or cumulative	N/A	N/A	N/A	N/A	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	N/A
23	Convertible or non-convertible	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	One class of share & same rights attached to all shares	Ranks below preference shares in respect of income and capital distributions	Ranks below preferred ordinary and preference shares in respect of income and capital distributions	Ranks below preference ordinary and preference shares in respect of income and capital distributions	Ranks above ordinary shares in respect of income and capital distributions	Ranks above ordinary shares in respect of income and capital distributions	Ranks above ordinary shares in respect of income and capital distributions	Ranks above ordinary shares in respect of income and capital distributions	Unsecured and Unsubordinated Creditors
36	Non-compliant transitioned features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

2. Capital Requirements (Art. 438)

The tables below show a breakdown of the risk weighted assets and associated Minimum Capital Requirements for JPMCHL and JPMS plc. The Minimum Capital Requirement is the amount of Pillar 1 capital that the CRR requires JPMCHL and JPMS plc to hold at all times. Both JPMCHL and JPMS plc's Total Capital Resources must be greater than its Minimum Capital Requirement, allowing for a capital excess to cover any additional obligations, for example, Pillar 2. The standardised approach has been used for the calculation of Credit Risk and Market Risk Capital Requirements. The basic indicator approach has been used for the calculation of Operational Risk Capital Requirements. The information represented in the tables below constitutes the key data elements for Capital Requirements identified in Title VII of the EBA Guidelines.

Table 6: Minimum Capital Requirements for JPMCHL and JPMS plc as at 31st December 2016

	JPMCHL		JPMS plc	
Risk Type (\$'m)	Capital Requirement	RWA	Capital Requirement	RWA
Credit Risk (inc. Counterparty Risk)	8,328	104,102	8,059	100,737
Position Risk	3,764	47,051	3,591	44,882
Commodity Risk	106	1,326	106	1,326
Foreign-Exchange Risk	776	9,699	776	9,699
Market Risk	4,646	58,076	4,473	55,907
Default Fund Contribution Requirement	128	1,604	128	1,604
Settlement Risk	27	337	22	271
Credit Valuation Adjustment Risk	2,417	30,218	2,402	30,021
Large Exposures Risk	0	0	0	0
Operational Risk	1,215	15,187	773	9,665
Total	16,762	209,524	15,856	198,205

The tables below show a breakdown of the Minimum Capital Requirements for Credit Risk (including Counterparty Risk) for JPMCHL and JPMS plc. Credit Risk (including Counterparty Risk) is the risk of loss arising from a borrower or counterparty failing to meet its financial obligations.

Table 7: Minimum Capital Requirements for Credit Risk (including Counterparty Risk) for JPMCHL and JPMS plc as at 31st December 2016

	JPM	ICHL	JPMS plc		
Credit Exposure Class (\$'m)	Capital Requirement	RWA	Capital Requirement	RWA	
Central governments or central banks	116	1,452	97	1,216	
Regional governments or local authorities	1	14	1	14	
Public sector entities	3	37	3	36	
Multilateral development banks	2	24	2	24	
International organisations	0	0	0	0	
Institutions	1,449	18,110	1,425	17,811	
Corporates	4,793	59,907	4,185	52,317	
Retail	0	0	0	0	
Secured by mortgages on immovable property	67	834	0	0	
Exposures in default	0	0	0	0	
Items associated with particular high risk	1,408	17,595	1,404	17,548	
Covered bonds	0	0	0	0	
Claims on institutions and corporates with a short-term credit assessment	383	4,789	377	4,717	
Collective investments undertakings (CIU)	0	0	0	0	
Equity	0	0	538	6,725	
Other items	107	1,340	26	329	
Total	8,328	104,102	8,059	100,737	

3. Leverage (Art. 451)

The leverage ratio is a measure of Tier 1 capital as a percentage of exposure as defined under the CRR rules.

The requirement for the calculation and reporting of leverage ratios was introduced as part of CRD IV in 2014, and amended by the European Commission Delegated Act (EU) 2015/62 in 2015.

As a result of this, CRD IV legislation allows for the calculation of a transitional leverage ratio aligned to the phasing in of a number of capital deductions and the phasing out of grandfathered instruments as allowed for the calculation of own funds under the CRR.

CRD IV does not currently include a minimum Leverage Ratio requirement; however, the Basel Committee on Banking Supervision ("the Basel Committee") has indicatively proposed a minimum requirement of 3%.

Leverage risk is monitored through the same processes and frameworks as capital adequacy and stress-testing. The latter is particularly important, as it is forward-looking: if the Firm's leverage ratios remain sustainable under stressed conditions, the risk of forced de-leveraging will be low.

The Firm has adopted a point-in-time calculation of the leverage ratio, as per Commission Delegated Regulation 2015/62.

The information represented in the tables below constitutes the key applicable data elements for leverage identified in Title VII of the EBA Guidelines.

Table 8: Leverage Ratio Common Disclosure for JPMCHL and JPMS plc as at 31st December 2016

LRCom: Lo	everage Ratio Common Disclosure (\$'m)	JPMCHL	JPMS plc		
On-Balan	ce Sheet Exposures (exc. Derivatives and SFTs)				
1	On-balance sheet items (exc. derivatives, SFTs and fiduciary assets, but including collateral)	186,649	181,416		
2	(Asset amounts deducted in determining Tier 1 capital)	(1,265)	(2,045)		
3	Total on-balance sheet exposures (exc. derivatives, SFTs and fiduciary assets)	185,384	179,371		
Derivatives Exposures					
4 Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin) 24,251					
5	Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	112,049	111,507		
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(41,669)	(41,574)		
8	(Exempted CCP leg of client-cleared trade exposures)	(1,917)	(1,917)		
9	Adjusted effective notional amount of written credit derivatives	162,742	162,525		
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(162,742)	(162,525)		
11	Total derivative exposures 92,714				
Securities Financing Transaction Exposures					
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	281,618	270,126		
13	(Netted amount of cash payables and cash receivables of gross SFT assets)	(113,878)	(113,878)		
14	Counterparty credit risk exposure for SFT assets	43,449	43,221		
16	Total securities financing transaction exposures	211,189	199,469		
Other Off	-Balance Sheet Exposures				
17	Off-balance sheet exposures at gross notional amount	18,079	14,158		
18	(Adjustments for conversion to credit equivalent amounts)	(8,572)	(6,942)		
19	Other off-balance sheet exposures	9,507	7,216		
Capital and Total Exposure					
20	Tier 1 capital	39,231	27,087		
21	Total leverage ratio exposures (3 + 11 + 16 + 19)	498,794	478,321		
22	Leverage ratio	7.87%	5.66%		
EU-23	Choice on transitional arrangements and amount of derecognised fiduciary items	Fully phased-in	Fully phased-in		

Table 9: Summary Reconciliation of Accounting Assets and Leverage Ratio Exposures

LRSum: L	everage Ratio Summary Reconciliation (\$'m)	JPMCHL	JPMS plc
1	Total assets as per unaudited financial statements	577,507	560,181
4	Adjustments for derivative financial instrument	(130,414)	(130,252)
5	Adjustments for securities financing transactions ('SFTs')	43,449	43,221
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	9,507	7,216
7	Other adjustments	(1,255)	(2,045)
8	Leverage Ratio Exposure	498,794	478,321

4. Items Experiencing Highly Significant Change during the Reporting Period

The information represented in this section constitutes the key data elements experiencing significant change in this period, as per the requirement identified in Title VII of the EBA Guidelines.

There have been no items that have experienced highly significant changes in this period. Any items identified through continual review across all disclosure areas, will be included in subsequent quarterly disclosure.