JPMORGAN CHASE BANK, N.A.
Johannesburg Branch

PILLAR 3 DISCLOSURES: REGULATION 43 OF THE REGULATIONS RELATING TO BANKS PRUDENTIAL AUTHORITY FOR THE YEAR ENDED 31 DECEMBER 2025

April 2026

J.P.Morgan

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1 Introduction

1.1 Purpose

The Pillar 3 report for JPMorgan Chase Bank, N.A. Johannesburg Branch ("the Branch") is published to fulfil the requirements of the Regulations to the Banks Act and directives issued by the Prudential Authority, including Directive D1 of 2019, Directive D1 of 2024, and the Basel Committee on Banking Supervision Standards. The purpose of this report is to provide stakeholders with reliable, relevant, and timely quantitative and qualitative information regarding the branch's capital structure, capital adequacy, risk exposures, and risk-weighted assets (RWA).

These disclosure requirements are designed to promote market discipline, enhance transparency, and enable users to make an accurate assessment of the branch's financial condition and risk management practices. By adhering to these standards, the Branch supports informed decision-making and fosters confidence in its operations within the South African banking sector.

1.2 Highlights

- Robust Capital Position: As at 31 December 2025, JPMCB Jhb holds qualifying capital of R23.72 billion, comprised almost entirely of high-quality Common Equity Tier 1 (CET1) capital.
- Stable Capital Base: The Branch's capital is maintained at a constant level through a PA-approved monthly profit remittance and loss reimbursement process with Head Office, supported by an additional 10% of its capital requirement as required by the PA for the remittance of profits
- Forward-Looking Capital Planning: Capital surpluses are projected to remain strong over the three-year planning horizon. The Branch is supported by an annual comfort letter from the Head Office, ensuring the Branch's capacity to absorb stress and support future growth.
- Strategic Stability: No significant changes to business activities or product occurred in 2025, reflecting a disciplined and steady approach to growth.
- Risk management and governance: All material risks – credit (incl. counterparty, CVA and concentration), market, compliance, conduct and operational (CCOR), liquidity, business strategy, capital and country - are identified, measured, monitored, and managed through a combination of quantitative and qualitative approaches. Where risks are less readily quantifiable, robust qualitative controls and scenario analysis are applied
- Integrated Risk Appetite: The risk appetite framework is reviewed annually, embedded in daily management, and aligned with both global and local standards.
- Rigorous Governance: The Branch is subject to robust governance, with ultimate responsibility resting with the Branch Oversight Committee (BOC).
- Proactive Regulatory Readiness: The Branch is actively preparing for the implementation of the 1% countercyclical capital buffer (CCyB) effective 1 January 2026, and continues to monitor evolving regulatory requirements to ensure ongoing compliance and capital adequacy.

1.3 Impact of Basel 3.1 (Basel IV) Implementation on 2025 Pillar 3 Disclosures

The reporting period ending 31 December 2025 marks a pivotal transition for JPMorgan Chase Bank, N.A. Johannesburg Branch ("the Branch"), as it reflects the first period including the

application of the revised Basel 3.1 (commonly referred to as Basel IV) regulatory framework in South Africa. The implementation of these reforms, effective from July 2025, has had a pronounced effect on the Branch's capital, risk-weighted assets (RWA), and risk profile disclosures, and is the principal driver of the material quantitative and qualitative movements observed between 2024 and 2025.

1.3.1 Overview of Basel 3.1 / Basel IV Reforms

Basel 3.1 represents a comprehensive recalibration of the global prudential framework, with the primary objective of enhancing the comparability, risk sensitivity, and robustness of capital requirements across the banking sector. For the Branch, the most salient reforms include:

- **Revised Standardised Approaches:** The recalibration of risk weights for credit, market, and operational risk, with more granular differentiation by exposure type and counterparty, and the introduction of new methodologies for counterparty credit risk (SA-CCR) and credit valuation adjustment (BA-CVA).
- **Fundamental Review of the Trading Book (FRTB):** A new boundary between the trading and banking books, a more risk-sensitive standardised approach for market risk, and the replacement of Value-at-Risk (VaR) with Expected Shortfall (ES) for capital determination.
- **Operational Risk Capital:** The replacement of previous model-based and standardised approaches with a single, non-modelled methodology based on the Business Indicator Component (BIC) and an Internal Loss Multiplier (ILM), directly linking capital to the scale and loss experience of the institution.
- **Output Floor and Buffer Requirements:** The phased introduction of an output floor, ensuring that risk-weighted assets calculated under internal models do not fall below a set percentage of those calculated under the standardised approach, and the formalisation of buffer requirements, including the countercyclical capital buffer (CCyB), which is set to increase to 1% from January 2026.

1.3.2 Interpretation of Material Movements: Regulatory Change as the Primary Driver

The adoption of Basel 3.1 has fundamentally altered the measurement and composition of the Branch's capital and risk exposures. The most significant impacts, as evidenced in the reporting tables, are summarised below:

1.3.2.1 Risk-Weighted Assets (RWA) and Capital Ratios

The recalibration of risk weights and the introduction of new exposure classifications have resulted in a marked increase in total RWA, particularly in the second half of 2025. As at 31 December 2025, total RWA stood at ZAR 38.8 billion, up from ZAR 30.6 billion at 31 December 2024 (Template KM1, line 4). This uplift is most pronounced in the credit and market risk categories, where the application of more conservative risk weights to certain counterparties and exposures—especially under the revised standardised approach—has led to higher capital requirements for the same underlying portfolios. The implementation of FRTB has further contributed to this increase, as the new approach captures a broader range of risk factors and market sensitivities.

Despite the increase in RWA, the Branch's capital base has remained robust. Common Equity Tier 1 (CET1) capital increased to ZAR 23.7 billion at year-end 2025, up from ZAR 13.6 billion at December 2024 (Template KM1, line 1). The CET1 ratio, while temporarily compressed during the transition, closed the year at 60.98%, compared to 44.55% at December 2024 (Template KM1, line 5), reflecting both the capital increase and the recalibrated RWA base.

1.3.2.2 Counterparty Credit Risk and CVA

The introduction of the Standardised Approach for Counterparty Credit Risk (SA-CCR) and the revised BA-CVA framework has significantly increased the capital requirements for derivative and securities financing exposures. For example, CCR RWA rose to ZAR 4.0 billion at year-end 2025, compared to ZAR 3.2 billion at December 2024 (Template OV1, line 6). The sharp increase in CVA RWA, in particular, is attributable to the broader scope of exposures captured and the more risk-sensitive calculation of credit spread risk, with CVA RWA rising to ZAR 14.7 billion at December 2025 from ZAR 5.4 billion at December 2024 (Template OV1, line 10).

1.3.2.3 Market Risk

The transition to FRTB has led to a substantial uplift in market risk RWA, reflecting the more comprehensive and risk-sensitive measurement of trading book exposures. Market risk RWA increased to ZAR 4.1 billion at December 2025, compared to ZAR 1.6 billion at December 2024 (Template OV1, line 20). The new standardised approach incorporates additional risk factors and more granular risk buckets, while the use of Expected Shortfall as the primary risk metric increases capital requirements for portfolios with significant tail risk or illiquidity.

1.3.2.4 Operational Risk

The move to a single, non-modelled approach for operational risk capital has resulted in a more transparent and comparable capital requirement, directly linked to the Branch's business volume and historical loss experience. For the Branch, this has led to a recalibration of operational risk RWA, with the new methodology generally resulting in a more stable and predictable capital charge, albeit at a higher level than under the previous approach. Operational risk RWA increased to ZAR 5.2 billion at December 2025, up from ZAR 3.7 billion at December 2024 (Template OV1, line 24).

1.3.2.5 Leverage and Liquidity Metrics

The Branch's leverage ratio improved to 25.28% at December 2025, from 16.42% at December 2024 (Template KM1, line 14), driven by the increase in Tier 1 capital and a reduction in leverage exposure as certain portfolios were optimised in response to the new regulatory environment. The Liquidity Coverage Ratio (LCR) remained exceptionally strong at 695.6% at December 2025 (Template KM1, line 17), with High-Quality Liquid Assets (HQLA) of ZAR 19.8 billion (Template LIQ1, line 1). The Net Stable Funding Ratio (NSFR) also increased to 314.2% (Template KM1, line 20), reflecting a conservative funding profile and the maintenance of substantial liquidity buffers.

1.3.3 **Qualitative Impact and Strategic Response**

The implementation of Basel 3.1 has necessitated enhancements to the Branch's risk management, data aggregation, and reporting processes. The increased granularity and risk sensitivity of the new framework have required more sophisticated systems and controls, as well as closer alignment between risk, finance, and business functions. The Branch has responded proactively, leveraging its ICAAP process to anticipate regulatory developments, assess capital adequacy under multiple scenarios, and ensure that capital and liquidity buffers remain well above minimum requirements.

From a strategic perspective, the Branch's business model and risk appetite have remained stable, with no material changes to product offerings or client focus during the period. The observed movements in capital and risk metrics are therefore best understood as a function of regulatory recalibration, rather than any shift in underlying risk profile or business strategy.

In summary, the material movements observed in the Branch's capital, RWA, and risk metrics between 2024 and 2025 are principally attributable to the implementation of Basel 3.1. The new framework has resulted in higher and more risk-sensitive capital requirements, particularly for

credit, market, and counterparty exposures, and has driven enhancements in risk management and reporting practices. The Branch remains well-capitalised and resilient, with a forward-looking capital management approach that is fully aligned with the evolving regulatory landscape.

1.4 Key prudential metrics

Template KM1: Key prudential metrics

		a	b	c	d	e
	ZAR Millions	**4Q25 31-Dec-25**	**3Q25 30-Sep-25**	**2Q25 30-Jun-25**	**1Q25 31-Mar-25**	**4Q24 31-Dec-24**
	Available capital (amounts)					
1	Common equity tier 1 (CET1)	23,657	23,716	13,630	13,605	13,611
2	Tier 1	23,657	23,716	13,630	13,605	13,611
3	Total capital	23,711	23,751	13,666	13,658	13,655
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	38,775	96,443	41,147	34,864	30,551
4a	Total risk-weighted assets (pre-floor)	38,775	96,443			
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	61.01%	24.59%	33.12%	39.02%	44.55%
5a	CET1 ratio (%) (pre-floor ratio)	61.01%	24.59%			
6	Tier 1 ratio (%)	61.01%	24.59%	33.12%	39.02%	44.55%
6a	Tier 1 ratio (%) (pre-floor ratio)	61.01%	24.59%			
7	Total capital ratio (%)	61.15%	24.63%	33.21%	39.18%	44.70%
7a	Total capital ratio (%) (pre-floor ratio)	61.15%	24.63%			
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)*	0%	0%	0%	0%	0%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0%	0%	0%	0%	0%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	52.26%	15.84%	24.37%	30.27%	35.80%
	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	93,133	147,666	97,575	100,658	82,831
14	Basel III leverage ratio (%)(including the impact of any applicable temporary exemption of central bank reserves)	25.40%	16.06%	14.08%	13.31%	25.48%
14a	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	25.40%	16.06%	14.08%	13.31%	25.48%
14b	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	25.20%	15.37%	13.96%	13.54%	16.42%
14c	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	25.20%	15.37%	13.96%	13.54%	16.42%
	Liquidity Coverage Ratio (LCR)	**Avg. for quarter**	**Avg. for quarter**	**Avg. for quarter**	**Avg. for quarter**	**Avg. for quarter**
15	Total high-quality liquid assets (HQLA)	19,818	16,803	16,507	17,096	17,207
16	Total net cash outflow	2,849	3,529	2,873	2,494	2,404
17	LCR ratio (%)	695.59%	476.19%	574.46%	685.40%	715.77%
	Net Stable Funding Ratio (NSFR)	**31 Dec-25**	**30-Sep-25**	**30-Jun-25**	**31-Mar-25**	**31-Dec-24**
18	Total available stable funding	29,187	28,468	16,676	16,843	16,951
19	Total required stable funding	9,290	12,258	9,265	10,850	9,448
20	NSFR ratio	314.16%	232.24%	180.00%	155.24%	179.41%

Greyed lines represent historical information not applicable under Par 2.3.1 of Directive 10 of 2025 in light of the Basel III reform changes implemented as part of Government Gazette 52907 published on 25 June 2025.

Where applicable, monthly average values have been reported in place of daily averages.

**The CCyB will change from 0% to 1% from 1 January 2026 based on Directive 6 of 2024.*

Template OVA: Bank risk management approach

a) Interaction of Business Model and Risk Profile

The business model of JPMorgan Chase Bank, N.A. Johannesburg Branch ("the Branch") is centred on providing wholesale banking services—including investment banking, lending, transactional services, and market activities—to a client base comprising large corporates, financial institutions, government entities, and multinational subsidiaries. This business model inherently shapes the Branch's risk profile, with key risks arising from credit exposures, market activities, counterparty relationships, operational processes, and liquidity management.

Each of these risk types is directly reflected in the Branch's risk disclosures:

- Credit risk is primarily driven by lending and counterparty exposures, and is measured and disclosed through risk-weighted assets, defaulted exposures, and concentration metrics.
- Market risk arises from trading and treasury activities, and is captured through VaR, stress testing, and capital requirements under the Fundamental Review of the Trading Book (FRTB).
- Operational risk is linked to the scale and complexity of the Branch's operations, and is measured using the Business Indicator Component (BIC) and Internal Loss Multiplier (ILM).
- Liquidity and funding risk is managed through the maintenance of high-quality liquid assets and robust funding structures, as reflected in LCR and NSFR disclosures.

The risk profile is closely aligned with the risk tolerance and appetite approved by the Board, ensuring that exposures remain within defined thresholds and that the business model is executed in a manner consistent with the Branch's strategic objectives and regulatory expectations.

b) Risk Governance Structure

The Branch operates within a robust risk governance framework, with clearly defined responsibilities and oversight at all levels:

- Branch Oversight Committee (BOC): The BOC is the most senior governance body in South Africa, responsible for overall risk oversight, approval of risk appetite, and escalation of material risk issues.
- Executive Management: Day-to-day risk management is delegated to executive management, including the Chief Executive Officer, Chief Risk Officer, Chief Financial Officer, and other key function heads.
- Risk Committees: The South Africa Risk Committee (SARC), a sub-committee of the BOC, provides focused oversight of risk exposures, risk appetite utilisation, and emerging risks.
- Risk Functions: Separate risk management, compliance, and internal audit functions operate independently, ensuring effective challenge, monitoring, and assurance across all risk types.
- Business Units: Each business line is responsible for first-line risk identification, management, and control, supported by dedicated control managers and risk officers.

This structure ensures clear segregation of duties, effective oversight, and a strong culture of accountability across all risk types and business activities.

c) Risk Culture: Communication, Decline, and Enforcement

The Branch promotes a strong risk culture through multiple channels:

- Code of Conduct: All employees are required to adhere to the Firm's Code of Conduct, which sets out expected behaviours, ethical standards, and escalation protocols.
- Policies and Manuals: Comprehensive risk policies, operating manuals, and procedural documents define risk limits, escalation procedures, and the treatment of breaches or violations.
- Training and Awareness: Regular training is provided on risk management, compliance, and conduct expectations.
- Issue Escalation: Procedures are in place for staff to raise risk concerns, report breaches, and share risk issues across business lines and risk functions, including anonymous reporting channels.
- Enforcement: Breaches of risk thresholds are subject to formal review, with disciplinary or remedial action taken as appropriate.

This multi-layered approach ensures that risk awareness, transparency, and ethical conduct are embedded throughout the Branch.

d) Scope and Main Features of Risk Measurement Systems

The Branch employs a suite of risk measurement systems tailored to its business activities:

- Credit risk is measured using internal rating models, external ratings (Moody's), and regulatory capital calculations under the standardised approach.
- Market risk is assessed using Value-at-Risk (VaR), Expected Shortfall (ES), and scenario-based stress testing, supported by the FRTB standardised approach.
- Operational risk is measured using the BIC/ILM methodology, with inputs from business indicators and historical loss data.
- Liquidity risk is monitored through real-time systems tracking HQLA, cash flows, and funding concentrations.

All systems are subject to regular validation, backtesting, and independent review to ensure accuracy and regulatory compliance.

e) Risk Information Reporting to Board and Senior Management

Risk information is reported to the Board and senior management through a structured process:

- Regular Reporting: Comprehensive risk reports are provided to the BOC, SARC, and executive management on a monthly and quarterly basis, covering all material risk types, risk appetite utilisation, limit breaches, and emerging risks.
- Content: Reports include quantitative metrics (e.g., RWA, capital ratios, VaR, LCR, NSFR), qualitative analysis, stress testing results, and commentary on risk trends and issues.
- Escalation: Material breaches, emerging risks, and significant events are escalated promptly to the appropriate governance body.

This reporting framework ensures that decision-makers have timely, relevant, and comprehensive information to oversee the Branch's risk profile.

f) Qualitative Information on Stress Testing

Stress testing is a core component of the Branch's risk management framework:

- **Scope:** Stress testing covers credit, market, liquidity, and operational risk portfolios, with scenarios designed to capture both idiosyncratic and systemic shocks.
- **Methodologies:** Scenarios are developed centrally and locally, incorporating macroeconomic, market, and operational risk factors. Methodologies include sensitivity analysis, reverse stress testing, and scenario analysis.
- **Use:** Results are used to inform capital planning (ICAAP), risk appetite calibration, contingency planning, and management actions.

Stress testing outcomes are regularly reviewed by the BOC and senior management, ensuring that the Branch remains resilient under adverse conditions.

g) Strategies and Processes to Manage, Hedge, and Mitigate Risks

The Branch employs a range of strategies and processes to manage, hedge, and mitigate risks:

- Credit risk is managed through underwriting standards, collateralisation, netting agreements, and credit derivatives (where applicable), with ongoing monitoring of exposures and concentrations.
- Market risk is hedged using derivatives, position limits, and scenario analysis, with effectiveness monitored through daily risk reporting and backtesting.
- Operational risk is mitigated through internal controls, process automation, insurance, and business continuity planning.
- Liquidity risk is managed through the maintenance of HQLA buffers, diversified funding sources, and contingency funding plans.

The effectiveness of all hedges and mitigants is subject to ongoing monitoring, validation, and review, with adjustments made as necessary to respond to changes in the risk environment.

Template OV1: Overview of RWA

		a	b	c
			RWA (R millions)	Minimum capital requirements (Basel Minimum 8%) (R millions)
		31-Dec-25	30-Sep-25	31-Dec-25
1	Credit risk (excluding counterparty credit risk)	10,745	22,716	860
2	Of which: standardised approach (SA)	10,745	22,716	860
3	Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
4	Of which: supervisory slotting approach	-	-	-
5	Of which: advanced internal ratings-based (A-IRB) approach	-	-	-
6	Counterparty credit risk (CCR)	3,965	6,481	317
7	Of which: standardised approach for counterparty credit risk	3,965	6,481	317
8	Of which: IMM	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	14,724	32,486	1,178
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	-	-	-
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	-	-	-
14	Equity investments in funds – fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17	Of which: securitisation IRB approach (SEC-IRBA)	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	4,086	30,859	327
21	Of which: standardised approach (SA)	4,086	30,859	327
22	Of which: internal model approach (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	5,162	3,813	413
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	92	88	7
26	Output floor applied	-	-	
27	Floor adjustment (before application of transitional cap)	-	-	
28	Floor adjustment (after application of transitional cap)	-	-	
29	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)	**38,775**	**96,443**	**3,102**

1.5 Regulatory disclosure framework

D1-2024 and D10 2025 issued by the Prudential Authority (PA) specifies the minimum requirements relating to Pillar 3 disclosures and applies to all banks and branches of foreign institutions.

All banks must comply with revised, standardized Pillar 3 disclosure requirements, including specific rules for interest rate risk in the banking book (IRRBB), using prescribed templates, with clear timelines, robust internal controls, and public accessibility.

The new directives emphasize clear, comprehensive, and comparable disclosures to strengthen market discipline, with Board-level oversight, narrative explanations for key changes, and proactive engagement with regulators on compliance.

The Branch complies with the Basel 4 framework which was implemented in July 2025. The framework is built on the three pillars of the Basel II framework.

Pillar 1: Sets the minimum capital requirements for credit risk, market risk and operational risk

Pillar 2: Considers through the Supervisory Review and Evaluation Process whether further capital is required in addition to Pillar 1 calculations

Pillar 3: Aims to provide a consistent and comprehensive disclosure framework that enhances comparability between banks and further promotes improvements in risk management. Pillar 3 requires all material risks to be disclosed, enabling a comprehensive view of the bank's risk profile.

1.6 Risk management

Risk is an inherent part of JPMorgan's business activities. The overall objective is to manage its business, and the associated risks, in a manner that balances serving the interests of its clients while protecting the safety and soundness of the Firm.

The Branch follows the Firms approach in respect to effective risk management which requires, among other things.

- Acceptance of responsibility, including identification and escalation of risk issues by all individuals within the Firm.
- Ownership of risk identification, assessment, data, and management within each of the lines of business ("LOB") and Corporate functions; and
- A Firmwide risk governance and oversight structure

1.7 Accounting and regulatory consolidation

The Pillar 3 Disclosures are prepared on a Branch-level basis. The accounting basis of preparation for the financial disclosures is set out in the notes to the 2025 Annual Financial Statements. The regulatory basis of preparation applied by the Branch is summarised in the table below, which identifies the principal banking undertakings.

Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

LI1	a	b	c	d	e	f	g
	(R millions)	(R millions)	Carrying values of items				
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to securitisation framework	Subject to market risk framework	Not subject to capital requirements or subject to deduction from capital
Cash and cash equivalents	14,404		14,404				
Loans and other balances	8,477		6,486			1,991	
Government securities at FVOCI	3,991		3,991				
Derivative financial instruments and other trading securities	46,854			18,626		46,839	
Securities purchased under agreements to resell	20,654			20,654		4,783	
Accounts receivable	1,097		168			929	
Operating lease asset	35		35				
Furniture and equipment	9		9				
Deferred tax	37						37
South African Revenue Services	18		18				
Total assets	**95,576**		**25,111**	**39,280**	**-**	**54,542**	**37**
Deposits and other balances	20,257						20,257
Derivative financial instruments and other trading liabilities	21,584			21,584		21,584	
Securities purchased under agreements to repurchase	29,109			29,109			
Operating lease liability	38						38
Accounts payable and other balances	651						651
Bank overdraft	26						26
Provisions	106						106
Total liabilities	**71,771**		**-**	**50,693**	**-**	**21,584**	**21,078**

The Branch's scope of accounting consolidation and its scope of regulatory consolidation are identical. Accordingly, in line with the table guidance, columns (a) and (b) have been merged in this disclosure (LIA).

Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

		a	b	c	d	e
			Items subject to:			
		Total	Credit risk framework	Securitisation framework	Counterparty credit risk framework (derivatives and SFT's)	(R millions) Market risk framework
1	**Asset carrying value amount under scope of regulatory consolidation (as per template LI1)**	**95,539**	**25,111**	**-**	**39,280**	**54,542**
2	Liability carrying value amount under scope of regulatory consolidation (as per template LI1)	50,693	-	-	50,693	21,584
3	Total net amount under scope of regulatory consolidation (as per template LI1)	44,287	25,111	-	(11,412)	32,958
4	Off-balance sheet items	1,686	353			
5	Differences in valuation					
6	Potential future exposure	7,165			7,165	
	Exposure amounts considered for regulatory purposes	**53,698**	**25,464**	**-**	**(4,247)**	**32,958**

Template PV1: Prudent valuation adjustments (PVAs)

Breakdown of the constituent elements of a bank's PVAs according to the requirements of D5/2020.

		a	b	c	d	e	f	g	h
		Equity	**Interest rates**	**Foreign exchange**	**Credit**	**Commodities**	**Total**	**Of which: in the trading book**	**Of which: in the banking book**
1	Closeout uncertainty, of which:	-	29	98	21	-	148	98	50
2	*Mid-market value*	-	7	28	13	-	48	28	20
3	*Closeout cost*	-	4	58	7	-	70	58	11
4	*Concentration*	-	18	13	-	-	30	13	18
5	Early termination	-	-	-	-	-	-	-	-
6	Model risk	-	-	-	-	-	-	-	-
7	Operational risk	-	-	-	-	-	-	-	-
8	Investing and funding costs	-	-	-	-	-	-	-	-
9	Unearned credit spreads	-	-	-	-	-	-	-	-
10	Future administrative costs	-	-	-	-	-	-	-	-
11	Other	-	-	-	-	-	-	-	-
12	**Total adjustment**	**-**	**29**	**98**	**21**	**-**	**148**	**98**	**50**

2 Capital

2.1 Capital Management

The capital strategy of the Firm focuses on long-term stability that enables the Firm to build and invest in market-leading businesses. In addition to considering the earnings outlook, senior management must evaluate all sources and uses of capital with a view to preserving capital strength. Maintaining a strong balance sheet to manage through economic volatility is a strategic imperative of the Firm's Board of Directors, Chief Executive Officer and the Operating Committee.

JPMCB Jhb, as a Branch of JPMCB which is a part of the consolidated JPMC Group, is subject to the overarching capital framework described above. However, JPMC is also subject to a capital management framework designed to manage its capital on a stand-alone basis.

The primary objective of the local capital management framework is to ensure that capital is adequate to meet the PA's regulatory requirement under the Basel framework, and to ensure that capital requirements for future business initiatives are accurately calculated and forecasted, under both businesses as usual and stressed conditions.

The framework used to manage capital is based on daily capital calculations and reporting, supplemented by forward looking projections, including stressed projections, with corrective actions taken as and when required to maintain an appropriate level of capitalisation.

Stress forecasts leverage the Firmwide Stress Infrastructure which is subject to rigorous review in the course of the Firm becoming fully compliant with the Basel framework principles for effective risk data aggregation and reporting.

2.2 Capital resources

JPMCB Jhb's regulatory capital base (CET 1) was been at R23.7bn as at 31 December 2025. Capital is deemed to be of high quality due to the following reasons:

- It consists of CET1 Capital in the form of a cash injection from JPMCB NA.
- With the exception of IFRS 2, IFRS 9, IFRS16 and PVA adjustments, net profit/loss is either remitted or reimbursed monthly, ensuring that dotation capital remains constant.
- There are no other factors which would reduce the utility of capital resources – for example, there is no significant capital leverage / gearing which would restrict the ability of the entity to use the entirety of its capital to meet its requirements.

2.3 Countercyclical capital buffer

The countercyclical capital buffer (CCyB) is a macroprudential tool designed to strengthen the resilience of the banking sector by requiring banks to accumulate additional capital during periods of excessive credit growth. This buffer can be released in times of stress, thereby supporting the continued flow of credit to the real economy. The CCyB is set by national authorities and is applied as a percentage of risk-weighted assets (RWA) for private sector credit exposures in relevant jurisdictions.

2.3.1 **Methodology**

For the purposes of calculating the countercyclical capital buffer (CCyB), JPMorgan Chase Bank, N.A. (Johannesburg Branch) allocates private sector credit exposures to jurisdictions on an “ultimate risk” basis, in accordance with the Basel III framework and local regulatory requirements. This approach assigns each exposure to the country where the final risk resides, typically the domicile of the obligor or, where applicable, the guarantor or credit protection provider.

The Branch’s exposures are reviewed to ensure that, wherever possible, the ultimate risk location is identified and used for jurisdictional allocation. In practice, for the current product set and client base of the Branch, the immediate counterparty and ultimate risk locations are generally the same, as the Branch does not routinely take third-party guarantees or credit risk mitigants that would shift the risk to another jurisdiction. Where exposures are subject to guarantees or other credit risk mitigants, the allocation is made to the jurisdiction of the guarantor or protection provider, in line with regulatory guidance.

In rare cases where it is not possible to determine the ultimate risk location (for example, due to data limitations or product structure), exposures are allocated based on the immediate counterparty’s country of incorporation. The Branch maintains controls to identify and review any such exceptions, and the impact of these is assessed to ensure that the overall allocation remains consistent with regulatory expectations.

The allocation methodology is applied in accordance with the clarifications provided in RBC30, which sets out the principles for identifying the geographic location of exposures for CCyB purposes. The Branch regularly reviews its allocation methodology to ensure ongoing compliance with evolving regulatory standards and best practice.

For the reporting period ending 31 December 2025:

- The Prudential Authority set the South African CCyB rate at 1.00%, effective from 1 January 2026 (previously 0%).
- The Branch’s credit exposures are almost exclusively to South Africa, resulting in a straightforward calculation with minimal cross-jurisdictional complexity.
- The relevant RWA for South African exposures was ZAR 15,660 million, resulting in a CCyB requirement of ZAR 386 million (see Table CCyB1).

2.3.2 **Observations and Forward-Looking Considerations**

- Transitional Impact: The increase in the CCyB rate from 0% to 1% is a significant regulatory development for 2026. While the buffer was not binding for the 2025 year-end, the Branch has proactively incorporated the forthcoming requirement into its capital planning and ICAAP, ensuring that capital resources remain sufficient to meet the higher buffer.
- Capital Adequacy: The Branch’s capital position remains robust, with CET1 and total capital ratios well above minimum requirements, even after accounting for the additional CCyB. The capital management framework is designed to anticipate such regulatory changes, and the Head Office capital injection process provides further assurance of compliance.
- Risk Management: The CCyB is not only a regulatory requirement but also an important risk management tool. By building up capital in benign conditions, the Branch is better positioned to absorb losses in the event of a downturn or systemic stress.

Template CCyB1 – Geographical distribution of credit exposures used in the calculation of the bank-specific countercyclical capital buffer requirement

	a	b	c	d	e
		Exposure values and/or risk-weighted assets (RWA) used in the computation of the countercyclical capital buffer			
Geographical breakdown	Countercyclical capital buffer rate	Exposure values	RWA	Bank-specific countercyclical capital buffer rate	Countercyclical capital buffer amount
South Africa	1.00%	-	15,660		
Sum		**-**	**15,660**		
Total		**-**	**15,660**	**1.00%**	**386**

2.4 Composition of capital

Capital comprises Common Equity Tier 1 (CET1) only and is provided through a cash injection from JPMCB NA. Capital is maintained at a constant level under the capital reimbursement and remittance process currently in place, which is approved by the Prudential Authority on an annual basis.

Table CCA: Main features of regulatory capital instruments and of other TLAC-eligible instruments

		a
		Quantitative/ qualitative information
1	Issuer	N/A
2	Unique identifier (e.g. Committee on Uniform Security Identification Procedures (CUSIP), International Securities Identification Number (ISIN) or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of instrument	N/A
3a	Means by which enforceability requirement of Section 13 of TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	N/A
4	Transitional Basel III rules	N/A
5	Post-transitional Basel III rules	N/A
6	Eligible at solo/group/group and solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	N/A
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	23 767
9	Par value of instrument	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	N/A
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call duties, if applicable	N/A
	Coupons/dividends	
17	Fixed or floating dividend/coupon	N/A

		a
		Quantitative/ qualitative information
18	Coupon rate and any related index	N/A
19	Existence of dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory	N/A
21	Existence of step-up or other incentive to redeem	N/A
22	Non-cumulative or cumulative	N/A
23	Convertible or non-convertible	
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Writedown feature	
31	If write down, write down trigger(s)	N/A
32	If write down, full or partial	N/A
33	If write down, permanent or temporary	N/A
34	If temporary write-own, description of writeup mechanism	N/A
34a	Type of subordination	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	N/A

Template CC1: Composition of regulatory capital

		A	
		Amounts (R millions)	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
Common equity Tier 1 capital: Instruments and reserves			
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	23,767	H
2	Retained earnings		
3	Accumulated other comprehensive income (and other reserves)	101	
4	Directly issued capital subject to phase-out from CET1 capital (only applicable to non-joint stock companies)		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 capital)		
6	**Common Equity Tier 1 capital before regulatory adjustments**	23,868	
Common equity tier 1 capital: regulatory adjustments			
7	Prudent valuation adjustments	148	
8	Goodwill (net of related tax liability)		a minus (d)

		A	
		Amounts (R millions)	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)		b minus (e)
10	Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)		
11	Cash flow hedge reserve		
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale		
14	Gains and losses due to changes in own credit risk on fair valued liabilities		
15	Defined benefit pension fund net assets		
16	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)		
17	Reciprocal cross-holdings in common equity		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)		
20	MSR (amount above 10% threshold)		(c) minus (f) minus 10% threshold
21	DTA arising from temporary differences (amount above 10% threshold, net of related tax liability)		
22	Amount exceeding the 15% threshold		
23	Of which: significant investments in the common stock of financials		
24	Of which: MSR		
25	Of which: DTA arising from temporary differences		
26	National specific regulatory adjustments		
27	Regulatory adjustments applied to Common Equity Tier 1 capital due to insufficient Additional Tier 1 and Tier 2 capital to cover deductions		
28	**Total regulatory adjustments to Common equity tier 1**	211	
29	**Common equity Tier 1 capital (CET1)**	23,657	
Additional Tier 1 capital: instruments			
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus		i
31	Of which: classified as equity under applicable accounting standards		
32	Of which: classified as liabilities under applicable accounting standards		
33	*Directly issued capital instruments subject to phase-out from additional Tier 1 capital*		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group additional Tier 1 capital)		
35	*Of which: instruments issued by subsidiaries subject to phase-out*		
36	**Additional Tier 1 capital before regulatory adjustments**		
Additional Tier 1 capital: regulatory adjustments		**k**	
37	Investments in own additional Tier 1 instruments		
38	Reciprocal cross-holdings in additional Tier 1 instruments		

		A	
		Amounts (R millions)	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation		
41	National specific regulatory adjustments		
42	Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions		
43	**Total regulatory adjustments to additional Tier 1 capital**		
44	**Additional Tier 1 capital (AT1)**		
45	**Tier 1 capital (T1=CET1 + AT1)**	**23,657**	
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus		
47	*Directly issued capital instruments subject to phase-out from Tier 2 capital*		
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		
49	*Of which: instruments issued by subsidiaries subject to phase-out*		
50	Provisions	54	
51	**Tier 2 capital before regulatory adjustments**	54	
Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments		
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities		
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)		
55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments		
57	**Total regulatory adjustments to Tier 2 capital**		
58	**Tier 2 capital**	54	
59	**Total regulatory capital (=Tier 1+Tier 2)**	23,711	
60	**Total risk-weighted assets**	38,775	
Capital ratios and buffers			
61	**Common Equity Tier 1capital (as a percentage of risk-weighted assets)**	61.01%	
62	**Tier 1 (as a percentage of risk-weighted assets)**	61.01%	
63	**Total capital (as a percentage of risk-weighted assets)**	61.15%	

		A	
		Amounts (R millions)	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
64	**Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk weighted assets)**	2.50%	
65	Of which: capital conservation buffer requirement	2.50%	
66	Of which: bank-specific countercyclical buffer requirement	0.00%	
67	Of which: higher loss absorbency requirement	0.00%	
68	**Common Equity Tier 1 (as a percentage of risk weighted assets) available after meeting the bank's minimum capital requirements**	52.26%	
National minima (if different from Basel III)			
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)	8.75%	
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)	10.50%	
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)	12.75%	
Amounts below the threshold for deductions (before risk-weighting)			
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities		
73	Significant investments in the common stock of financial entities		
74	MSR (net of related tax liability)		
75	DTA arising from temporary differences (net of related tax liability)	37	
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)	54	
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	132	
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach		

Lines 33, 35, 47 and 49 have been greyed out as they relate to ineligible capital instruments that have been fully phased out with effect from 1 January 2022, in accordance with the prescribed transitional arrangements. These lines have been retained in greyed-out format to preserve the structure of the fixed-format template CC1 and to indicate their non-applicability to JPMorgan Chase Bank, N.A. (Johannesburg Branch).

Losses of R63 have been incurred and, because Line 2 is captioned "Retained Earnings" rather than "Retained Earnings/Losses," the negative amount cannot be presented directly on that line and has therefore been included under Line 28.

Template CC2 – Reconciliation of regulatory capital to balance sheet

	a	b	c
	Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
	As at period-end	**As at period-end**	
Assets			
Cash and cash equivalents		14,404	
Loans and other balances		8,477	
Government securities at FVOCI		3,991	
Derivative financial instruments and other trading securities		46,854	
Securities purchased under agreements to resell		20,654	
Accounts receivable		1,097	
Operating lease asset		35	
Furniture and equipment		9	
Deferred tax		37	
South African Revenue Services		18	
Total assets		**95,576**	
Liabilities			
Deposits and other balances		20,257	
Derivative financial instruments and other trading liabilities		21,584	
Securities purchased under agreements to repurchase		29,109	
Operating lease liability		38	
Accounts payable and other balances		651	
Bank overdraft		26	
Provisions		106	
Total liabilities		**71,771**	
Shareholders' equity			
Capital contribution		23,767	h
Share based compensation reserve		55	
OCI reserves		46	
Amount owing to/(owed from) head office		(63)	
Total shareholders' equity		**23,805**	

The Branch's scope of accounting consolidation and its scope of regulatory consolidation are identical. Accordingly, in line with the table guidance, columns (a) and (b) have been merged in this disclosure.

2.5 Leverage ratio

The Branch's leverage ratio was 25.40% as at end December 2025, which is well above the 4% minimum requirement. This indicates a strong Tier 1 capital position relative to the Branch's total leverage exposure and provides a material buffer over the applicable regulatory threshold.

Template LR1: Summary comparison of accounting assets vs leverage ratio exposure measure

		a
		Quarter end 31-Dec-25 R millions
1	Total consolidated assets per published financial statements	95,576
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	(9,614)
9	Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending)	7,066
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	358
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(253)
12	Other adjustments	-
13	**Leverage ratio exposure measure**	**93,133**

Template LR2: Leverage ratio common disclosure template

		a	b
	R millions	**Quarter end 31 Dec 2025**	**Quarter end 30 Sept 2025**
	On-balance sheet exposures		
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	56,301	69,588
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	(5)	(276)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	0
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	(105)	(83)
6	(Asset amounts deducted in determining Tier 1 capital and regulatory adjustments)	(148)	(146)
7	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of rows 1 to 6)	**56,043**	**69,635**
	Derivative exposures		
8	Replacement cost associated with *all* derivatives transactions (where	1,846	4,027

		a	b
	R millions	**Quarter end 31 Dec 2025**	**Quarter end 30 Sept 2025**
	applicable net of eligible cash variation margin, with bilateral netting and/or the specific treatment for client cleared derivatives)		
9	Add-on amounts for potential future exposure associated with *all* derivatives transactions	7,165	13,501
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	-	0
11	Adjusted effective notional amount of written credit derivatives	214	237
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(214)	(237)
13	**Total derivative exposures (sum of rows 8 to 12)**	**9,012**	**17,527**
	Securities financing transaction exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	29,389	30,840
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(1,668)	(1,436)
16	Counterparty credit risk exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	**Total securities financing transaction exposures (sum of rows 14 to 17)**	**27,720**	**29,404**
	Other off-balance sheet exposures		
19	Off-balance sheet exposure at gross notional amount	1,901	33,605
20	(Adjustments for conversion to credit equivalent amounts)	(1,541)	(2,504)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	(1)	(3)
22	**Off-balance sheet items (sum of rows 19 to 21)**	**358**	**31,099**
	Capital and total exposures		
23	**Tier 1 capital**	**23,657**	**23,716**
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	**93,133**	**147,666**
	Leverage ratio		
25	**Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)**	25.40%	16.06%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	25.40%	16.06%
26	**National minimum leverage ratio requirement**	4.00%	4.0%
27	**Applicable leverage buffers**	0.00%	0.0%
	Disclosure of mean values		
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	28,448	36,020
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	27,720	29,404
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	93,861	154,282
30a	Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	93,861	154,282
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	25.20%	15.37%
31a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	25.20%	15.37%

Where applicable, monthly average values have been reported in place of daily averages.

3 Credit risk

Credit risk is the risk associated with the default or change in credit profile of a client or counterparty. In its wholesale businesses, the Firm is exposed to credit risk through its underwriting, lending, market-making, and hedging activities with and for clients and counterparties, as well as through its operating services activities (such as cash management and clearing activities), and securities financing activities. The Firm is also exposed to credit risk through its investment securities portfolio and cash placed with banks.

3.1 Credit Risk Management (CRA)

Credit Risk Management monitors and measures credit risk throughout the Firm, and defines credit risk policies, procedures and limits. The Firm's credit risk management governance includes the following activities.

- Maintaining a credit risk policy framework
- Monitoring and measuring credit risk across all portfolio segments, including transaction and exposure approval
- Setting industry and geographic concentration limits, as appropriate, and setting guidelines for credit review and analysis
- Assigning and maintaining credit approval authorities in connection with the approval of credit exposure
- Monitoring and independent assessment of criticized exposures and delinquent loans, and
- Estimating credit losses, including periodic review and refinement of underlying assumptions, and supporting appropriate credit risk-based capital management

3.2 Risk Identification and Measurement (CRA)

To measure credit risk, the Firm employs several methodologies for estimating the likelihood of obligor or counterparty default. Methodologies for measuring credit risk vary depending on several factors, including type of asset, risk measurement parameters and risk management and collection processes. Credit risk measurement is based on the probability of default of an obligor or counterparty, the loss severity given a default event and the exposure at default.

The quantitative calculation of expected credit losses over an instrument’s expected life is estimated by applying credit loss factors to the Firm’s estimated exposure at default. The credit loss factors incorporate the probability of borrower default as well as loss severity in the event of default. Wholesale loans include loans made to a variety of clients, ranging from large corporate and institutional clients to high-net-worth individuals. The primary credit quality indicator for wholesale loans is the internal risk rating assigned to each loan. Risk ratings are used to identify the credit quality of loans and differentiate risk within the portfolio. Risk ratings on loans consider the PD and the LGD. The PD is the likelihood that a loan will default. The LGD is the estimated loss on the loan that would be realized upon the default of the borrower and takes into consideration collateral and structural support for each credit facility. Risk ratings are reviewed on a regular and ongoing basis by Credit Risk Management and adjusted as necessary for updated information affecting the obligor’s ability to fulfil its obligations.

JPMCB Jhb adopts the following approaches for calculating the credit risk capital requirements:

- Credit risk: Standardised approach.
- Counterparty credit risk: Standardised Approach to Counterparty Credit Risk (1 January 2021)
- JPMCB Jhb uses Moody’s for external credit ratings. No change from prior years

3.3 Stress Testing (CRA)

Stress testing is important in assessing, measuring and monitoring credit risk in the Firm's credit portfolio. The stress testing process assesses the potential impact of alternative economic and business scenarios on estimated credit losses for the Firm. Economic scenarios and the underlying parameters are defined centrally, articulated in terms of macroeconomic factors and applied across the businesses. The stress test results may indicate credit migration, changes in delinquency trends and potential losses in the credit portfolio. In addition to the periodic stress testing processes, management also considers additional stresses outside these scenarios, including industry and country-specific stress scenarios, as appropriate. The Firm uses stress testing to inform decisions on setting risk appetite both at a Firm and LOB level, as well as to assess the impact of stress on individual counterparties.

3.4 Risk Monitoring and Management (CRA)

The Firm has developed policies and practices that are designed to preserve the independence and integrity of the approval and decision-making process for extending credit so that credit risks are assessed accurately, approved properly, and monitored regularly at both the transaction and portfolio levels. The policy framework establishes credit approval authorities, concentration limits, risk-rating methodologies, portfolio review parameters and guidelines for management of distressed exposures. In addition, certain models, assumptions, and inputs used in evaluating and monitoring credit risk are independently validated by groups that are separate from the LOBs.

Wholesale credit risk is monitored regularly at an aggregate portfolio, industry, and individual client and counterparty level with established concentration limits that are reviewed and revised periodically as deemed appropriate by management. Industry and counterparty limits, as measured in terms of exposure and risk appetite, are subject to stress-based loss constraints.

Management of the Firm's wholesale credit risk exposure is accomplished through a number of means, including:

- Loan underwriting and credit approval processes
- Loan syndications and participations
- Loan sales and securitizations
- Credit derivatives
- Master netting agreements, and
- Collateral and other risk-reduction techniques.

The JPMCB Jhb approach to credit risk management mirrors the firmwide approach and is complemented by activities and governance that are specific to the branch.

3.5 Credit Risk Concentrations (CRA)

Concentrations of credit risk arise when a number of clients or counterparties are engaged in similar business activities or activities in the same geographic region, or when they have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic conditions. The Firm regularly monitors various segments of its credit portfolios to assess potential credit risk concentrations and to obtain additional collateral when deemed necessary and permitted under the Firm's agreements. Senior management is significantly involved in the credit approval and review process, and risk levels are adjusted as needed to reflect the Firm's risk appetite.

3.6 Risk Reporting (CRA)

To enable monitoring of credit risk and effective decision-making, aggregate credit exposure, credit quality forecasts, concentration levels and risk profile changes are reported regularly to senior members of Credit Risk Management. Detailed portfolio reporting of industry, clients, counterparties and customers, product and geography are prepared, and the appropriateness of the allowance for credit losses is reviewed by senior management at least on a quarterly basis. Through the risk reporting and governance structure, credit risk trends and limit exceptions are provided regularly to, and discussed with, risk committees, senior management, and the BOC.

Template CR1: Credit quality of assets

		a	b	c	d	e	f	g
		Gross carrying values of			Of which ECL accounting provisions for credit losses on SA exposures		Of which ECL accounting provisions for credit losses on IRB exposures	
		Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	Allocated in regulatory category of Specific	Allocated in regulatory category of General		Net values (a+b-c)
1	Loans: Of which:	84	17,991	105	70	34	-	17,969
(a)	Sovereign (including central government and central bank)	-	-	-	-	-	-	-
(b)	Banks	-	7,980	1	-	1	-	7,979
(c)	Corporate	-	9,820	15	-	15	-	9,805
(d)	SME Corporate	84	190	89	70	18	-	185
(e)	Specialised Lending Real Estate (SL)	-	-	-	-	-	-	-
e(1)	SL: Project Finance	-	-	-	-	-	-	-
e(2)	SL :object and commodity finance	-	-	-	-	-	-	-
(f)	Of which: Purchased receivables - corporate	-	-	-	-	-	-	-
(g)	Of which: Retail residential mortgage advances	-	-	-	-	-	-	-
(h)	Of which: Retail qualifying revolving (QRRE)	-	-	-	-	-	-	-
(i)	Of which: Retail SME	-	-	-	-	-	-	-
(j)	Retail Other	-	-	-	-	-	-	-
j(1)	Of which: unsecured lending	-	-	-	-	-	-	-
(k)	Of which: Purchased receivables - retail	-	-	-	-	-	-	-
2	Debt Securities	-	3,991	0	-	0	-	3,991
3	Off-balance sheet exposures	-	1,680	-	-	-	-	1,680
4	Total	**84**	**23,662**	**105**	**70**	**34**	**-**	**23,640**

Template CR2: Changes in stock of defaulted loans and debt securities

		a
1	**Defaulted loans and debt securities at end of the previous reporting period**	-
2	Loans and debt securities that have defaulted since the last reporting period	84
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	**Defaulted loans and debt securities at end of the reporting period** (1+2-3-4+5)	84

Template CRB and CRB-A: Additional disclosure related to the credit quality of assets

The following checklist summarizes additional qualitative disclosure items related to the credit quality of assets and expected credit losses under the Firm's IFRS 9 Allowance for Credit Losses (ACL) framework, based on the definitions, scope, and measurement requirements in the Standard and applicable to the Branch.

The Firm's IFRS 9 Allowance for Credit Losses (ACL) Standard applies to impairment assessment for financial assets measured at Amortized Cost or Fair Value Through Other Comprehensive Income (FVOCI) and certain off-balance sheet lending-related commitments, and excludes instruments measured at Fair Value Through Profit and Loss (FVTPL).

Past Due is defined as failure to make a payment when contractually due, and a credit-impaired financial asset is one for which one or more events with a detrimental impact on estimated future cash flows have occurred; for wholesale Traditional Credit Products (TCP) there is a rebuttable presumption that loans 90 days past due are credit-impaired, although some 90+ days past due loans may be excluded from Stage 3 when the delinquency is not credit-related and is generally due to an administrative issue (these are included in Stage 2 as a backstop). The ACL reflects management's estimate of Expected Credit Losses (ECL) and is predicated on staging (Stage 1: 12-month ECL; Stage 2: lifetime ECL; Stage 3: credit-impaired), incorporates multiple unbiased forward-looking macroeconomic scenarios over a reasonable and supportable forecast period.

For wholesale Stage 1–2 TCP, ECL is modeled using Exposure at Default (EAD) × Probability of Default (PD) × Loss Given Default (LGD) plus a Large Loan Uncertainty (LLU) adjustment, while certain Stage 3 wholesale loans above specified line-of-business thresholds are assessed individually using a discounted cash flow (DCF) approach (ECL equals the shortfall when the present value of expected cash flows is less than the gross carrying amount).

Restructured or forborne loans with financial concessions are loan term modifications granted for economic or legal reasons related to a borrower's financial difficulty that the branch would not otherwise consider; such loans are generally classified as Stage 3 when there is objective evidence of impairment and Stage 2 when there is no objective evidence of impairment.

The branch's operating model is focused on investment grade clients; however, the BEE Portfolio may include non-performing exposures. The branch applies the Firm's firmwide credit loss policy and framework, while incorporating any South Africa-specific regulatory reporting requirements, as applicable.

Quantitative disclosures required under CRB-A (including gross carrying values and related value adjustments/provisions) are disclosed in the relevant regulatory templates as required.

Exposure type	Loan portfolio	Gross carrying value	Performing loans	Non Performing Loans	Impaired exposures	Defaulted exposures	Not defaulted/impaired, >90 days past due
Debt securities	Sovereign	3,991	-	-	-	-	-
Loans	Corporate	10,094	10,068	26	83	84	84
Loans	Public Sector Entities	1	1	-	-	-	-
Loans	Banks	7,980	7,980	0	0	0	0
Off-balance sheet exposures	Corporate	1,670	-		1		
Off-balance sheet exposures	Public Sector Entities	9	-	-	-	-	-
Total		**23,745**	**18,049**	**26**	**84**	**84**	**84**

Template CRD: Qualitative disclosure on banks' use of external credit ratings under the standardised approach for credit risk

JPMCB Jhb Branch utilises Moody's as its primary External Credit Assessment Institution (ECAI) for banks and securities firms, in accordance with South African regulatory requirements. Where a Moody's rating is unavailable, the Standardised Credit Risk Assessment Approach (SCRA) is applied, relying on internal grading criteria rather than external ratings. S&P ratings are referenced for mapping internal grades to external equivalents, ensuring alignment with local regulations.

No changes in the ECAIs used have occurred over the reporting period. Moody's is used for asset classes comprising banks and securities firms with available external ratings, while SCRA is applied to unrated banks, securities firms, corporates, and other counterparties. For unrated corporates, risk weights are determined internally, with exposures to SMEs assigned an 85% risk weight and other corporates assigned 100%, as specified in regulatory tables.

The process for transferring issuer to issue credit ratings onto comparable assets in the banking book involves mapping the internal Obligor Grade (OG) to an external rating equivalent using established internal processes, which aligns internal grades with Moody's and S&P scales. This mapping is performed by the Wholesale Credit Risk Quantitative Research (WCR QR) team and applied to comparable assets for risk-weighted asset (RWA) calculation, ensuring regulatory compliance. The internal risk grading scale ranges from 1 to 6 (with +/- notches) and 7 to 10 (without notches), with grades of 4- or higher considered investment grade and broadly aligned with external BBB-/Baa3 or higher.

The internal alignment methodology provides the mapping between internal grades and external ratings, which is used to determine the appropriate risk bucket for each exposure. This mapping is conceptually accurate and aligned with regulations, as confirmed by EMEA Capital Policy, and the bank complies with any standard mapping published by the Prudential Authority, otherwise relying on its internal mapping to ensure consistency and regulatory compliance.

Template CR3: Credit risk mitigation techniques – overview

		a	b	c	d	E
		Exposures unsecured: carrying amount	**Exposures to be secured**	**Exposures secured by collateral**	**Exposures secured by financial guarantees**	**Exposures secured by credit derivatives**
1	Loans	17,969				
(a)	Of which: Sovereign (including central government and central bank)	-				
(b)	Of which: Public sector entities	0				
(c)	Of which: Banks	7,979				
(d)	Of which: Corporate	9,805				
(e)	Of which: SME Corporate	185				
(f)	Of which: Specialised Lending	-				
(g)	Of which: Purchased receivables - corporate	-				
(h)	Of which: Retail residential mortgage advances	-				
(i)	Of which: Retail qualifying revolving (QRRE)	-				
(j)	Of which: Retail SME	-				
(k)	Of which: Retail Other	-				
(l)	Of which: Purchased receivables - retail	-				
2	Debt securities	3,991				
3	Of which defaulted	14				
4	**Total**	**21,960**				

Template CR4: Standardised approach – credit risk exposure and credit risk mitigation (CRM) effects

		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	Asset classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign (including central government and central bank)	3,991	-	3,991	-	-	0.00%
2	Multilateral development banks						
(a)	Securities firms and other financial institutions						
3	Banks: of which	7,980	-	7,980	-	195	2.45%
(a)	Securities firms and other financial institutions						
(b)	Public Sector Entities	1	9	1	4	0	0.00%
4	Covered bonds						
5	Corporates (excluding corporate real estate as per line 8):of which	10,080	1,671	10,010	349	10,331	99.72%
(a)	SME Corporate	260	1,321	190	0	162	85.00%
(b)	Securities firms and other financial institutions						
(c)	Specialised lending (excluding IPRRE, IPCRE and HVCRE)						
6	Subordinated debt, equity and other capital						
7	Retail: of which						
(a)	Retail residential mortgage advances						
(b)	Retail qualifying revolving (QRRE)						
(c)	SME retail						
(d)	Retail - other						
8	Real estate: Corporate :of which						
(a)	Commercial real estate						
(b)	Income producing real estate						
(c)	HVCRE including land acquisition, development and construction						
9	Defaulted exposures	14	-	14	-	7	50.00%
10	Other assets	3,161	-	3,161	-	212	6.71%
11	**Total**	**25,226**	**1,680**	**25,156**	**353**	**10,745**	**42.12%**

Template CR5: Standardised approach – exposures by asset classes and risk weights

		0%	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
1	Sovereign (including central government and central bank)	3,991	-	-	-	-	-	3,991

		0%	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
2	Public Sector Entities	4	0	-	-	-	-	4

		0%	20%	30%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
3	Multilateral development banks								

		20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
4	Banks	0	0	-	-	1	195	-	7,784	7,980
(a)	Of which: securities firms and other financial institutions	-	-	-	-	-	-	-	-	-

		10%	15%	20%	25%	35%	50%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)
5	Covered bonds									

		20%	50%	65%	75%	80%	85%	100%	130%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
6	Corporates (excluding corporate real estate as per line 9)	-	0	-	1	-	190	10,169	-	-	-	10,360
(a)	Of which: SME	-	-	-	-	-	190	-	-	-	-	190
(b)	Of which: securities firms and other financial institutions											
(c)	Of which: specialised lending (excluding IPRRE, IPCRE and HVCRE)											

		100%	150%	250%[5]	400%[5]	Other	Total credit exposure amount (post-CCF and post-CRM)
7	Subordinated debt, equity and other capital						

		45%	75%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)
8	Retail (excluding retail residential mortgage advances as per line 9):of which					
(a)	Retail qualifying revolving (QRRE)					

N

(b)	SME Retail	
(c)	Retail - other	

		0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
9	Real estate : of which																				
(a)	general RRE-retail residential mortgage advances																				
(b)	no loan splitting applied																				
(c)	loan splitting applied (secured)																				
(d)	loan splitting applied (unsecured)																				
(e)	IPRRE																				
(f)	general CRE																				
(g)	no loan splitting applied																				
(h)	loan splitting applied (secured)																				
(i)	Of which: loan splitting applied (unsecured)																				
(j)	Of which: IPCRE																				
(k)	Of which: HVCRE including land acquisition, development and construction																				

		50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
10	Defaulted exposures	14	-	-	-	14

		0%	20%	100%	1250%	Other	Total credit exposure amount (post-CCF and post-CRM)
11	Other assets	2,949	-	212	-	-	3,161

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures

		a	b	c	d
	Risk weight	***On-balance sheet exposure***	***Off-balance sheet exposure (pre-CCF)***	***Weighted average CCF****	***Exposure (post-CCF and post-CRM)***
1	*Less than 40%*	*14,724*	*9*	*40%*	*14,728*
	0%	*14,724*	*9*	*40%*	*14,728*
	5%	*-*	*-*		*-*
	10%	*-*	*-*		*-*
	15%	*-*	*-*		*-*
	20%	*-*	*-*		*-*
	25%	*-*	*-*		*-*
	30%	*0*	*-*		*0*
	35%	*-*	*-*		*-*
2	*40–70%*	*84*	*-*	*0%*	*14*
	40%	*-*	*-*		*-*
	45%	*-*	*-*		*-*
	50%	*84*	*-*	*0%*	*14*
	55%	*-*	*-*		*-*
	60%	*-*	*-*		*-*
	65%	*-*	*-*		*-*
	70%	*-*	*-*		*-*
3	*75%*	*1*	*-*	*0%*	*1*
4	*85%*	*190*	*1*	*10%*	*190*
5	*90–100%*	*10,226*	*1,669*	*21%*	*10,575*
	90%	*-*	*-*		*-*
	95%	*-*	*-*		*-*
	100%	*10,226*	*1,669*	*21%*	*10,575*
6	*105–130%*	*-*	*-*	*-*	*-*
	105%	*-*	*-*		*-*

		a	b	c	d
	Risk weight	***On-balance sheet exposure***	***Off-balance sheet exposure (pre-CCF)***	***Weighted average CCF****	***Exposure (post-CCF and post-CRM)***
	110%	-	-		-
	115%	-	-		-
	120%	-	-		-
	125%	-	-		-
	130%	-	-		-
7	*150%*	-	-		-
8	*250%*	-	-		-
9	*400%*	-	-		-
10	*1250%*	-	-		-
11	***Total exposures***	***25,226***	***1,680***	***17%***	***25,509***

** Weighting is based on off-balance sheet exposure (pre-CCF).*

4 Market Risk (MRA)

Market risk is the risk associated with the effect of changes in market factors such as interest and foreign exchange rates, equity and commodity prices, credit spreads or implied volatilities, on the value of assets and liabilities held for both the short and long term.

4.1 Market Risk Governance

Market Risk Management monitors market risks throughout the Firm and defines market risk guidance.

The Market Risk Management function seeks to manage risk, facilitate efficient risk/return decisions, reduce volatility in operating performance and provide transparency into the market risk profile for senior management and regulators.

JPMCB Jhb's approach to Market Risk governance aligns to the Firmwide approach with legal entity specific governance overlay as appropriate.

4.2 Risk Measurement

There is no single measure to capture market risk and therefore the Firm and JPMCB Jhb use various metrics both statistical and non-statistical to assess risk. The appropriate set of risk measures utilized for a given business activity is tailored based on business mandate, risk horizon, materiality, market volatility and other factors.

Value-at-Risk ('VaR')

The Firm utilises VaR, a statistical risk measure, to estimate the potential loss from adverse market moves in the current market environment.

The VaR framework is employed across the Firm using historical simulation based on data for the previous 12 months.

VaR is calculated assuming a one-day holding period and an expected tail-loss methodology which approximates a 95% confidence level. These VaR results are reported as appropriate to various groups including senior management, the Firm Board of Directors and regulators.

JPMCB Jhb applies the Firm-wide approach for VaR as described above, for internal risk management purposes.

Stress testing

Along with VaR, stress testing is an important tool used to assess risk. While VaR reflects the risk of loss due to adverse changes in markets using recent historical market behaviour, stress testing reflects the risk of loss from hypothetical changes in the value of market risk sensitive positions applied simultaneously.

The Firm and JPMCB Jhb run weekly stress tests on market-related risks across the lines of business using multiple scenarios that assume significant changes in risk factors such as credit spreads, equity prices, interest rates, currency rates or commodity prices.

The Firm and JPMCB Jhb use a number of standard scenarios that capture different risk factors across asset classes including geographical factors, specific idiosyncratic factors and extreme tail events. The stress testing framework calculates multiple magnitudes of potential stress for both market rallies and market sell-offs for each risk factor and combines them in multiple ways to capture different market scenarios. The flexibility of the stress testing framework allows risk

managers to construct new scenarios that can be used to form decisions about future possible stress events.

Stress-test results, trends and qualitative explanations based on current market risk positions are reported to the respective Line of Business ("LOB"), Firm and JPMCB Jhb senior management as appropriate, to allow them to better understand the sensitivity of positions to certain defined events and to enable them to manage their risks with more transparency.

Stress scenarios are defined and reviewed by Market Risk Management, and significant changes are reviewed by the relevant LOB Risk Committees and may be redefined on a periodic basis to reflect current market conditions.

Non-statistical risk measures

Aside from VaR and stress testing, other specific risk measures, such as, but not limited to, credit spread sensitivities, net open positions, basis point values, option sensitivities, are also utilised within specific market context and aggregated across businesses.

JPMCB Jhb utilises non-statistical risk measures such as but not limited to, FX Delta and IR Delta, to measure and monitor risk.

Risk Monitoring

Market risk limits are employed as the primary control to align the Firm's and JPMCB Jhb's market risk with certain quantitative parameters within the Firm's and JPMCB Jhb's Risk Appetite framework, respectively.

Market Risk Management sets limits and regularly reviews and updates them as appropriate, at least semi-annually, with any changes approved by Firm or LOB or JPMCB Jhb management, as appropriate, and Market Risk Management. Limits that have not been reviewed within a specified time period by Market Risk Management are reported to senior management.

Limit breaches are required to be reported in a timely manner to limit approvers, which include Market Risk Management and senior management. In the event of a limit breach, Market Risk Management consults with senior management to determine the course of action required to return to compliance, which may include as a reduction in risk or granting a temporary increase in limits to accommodate an expected increase in client activity and/or market volatility. Certain Firm, LOB or JPMCB Jhb level limits that have been breached are escalated as appropriate.

JPMCB Jhb's limits include VaR, Stress and non-statistical limits established for the legal entity. Appropriate Business area representatives and Market Risk representatives are signatories to these limits.

4.3 Risk Reporting

Regular market risk reports, which include daily notification of limit utilizations and limit breaches, and where applicable, granular market risk metrics which provide transparency into potential risk concentrations are reported at JPMCB JHB and Firmwide levels.

4.4 Market risk capital requirements

In July 2025, JPMCB JHB implemented the 'Fundamental Review of the Trading Book' (FRTB) for calculation of Market Risk Capital. These changes included:

- A new, more robust boundary between the trading book and banking book
- A more risk-sensitive standardised (non-modelled) approach, allowing more accurate recognition of hedging.
- Greater alignment of the capital requirements as calculated under modelled and non-modelled approaches.
- Some deviation from proposals in Basel relating to covered bonds and sovereign exposures, and treatment for securitisation exposures.

- The integration of market liquidity risk into the market risk capital framework
- The replacement of VaR with a modelling approach known as “Expected Shortfall” (“ES”) in determining capital requirement

Template MR1: Market risk under standardised approach

		a
		Capital requirement in standardised approach
1	General interest rate risk	181
2	Equity risk	-
3	Commodity risk	-
4	Foreign Exchange risk	21
5	Credit spread risk–non-securitisations	125
6	Credit spread risk–securitisations (non-correlation trading portfolio)	-
7	Credit spread risk–securitisations (correlation trading portfolio)	-
8	Default risk–non-securitisations	0
9	Default risk–securitisations (non-correlation trading portfolio)	-
10	Default risk–securitisations (correlation trading portfolio)	-
11	Residual risk add-on	-
12	**Total**	**327**

4.5 Counterparty credit risk (CCRA)

Counterparty Risk relies upon multiple measures to capture, monitor, and control counterparty credit risk. These include but are not limited to metrics on Stress (SSE), Peak, Duration Based Settlement Exposure (DBSE) and Gross Market Concentration (GMC).

SSE is a primary scenario-based stress exposure metric used for credit limit monitoring of Over the counter (OTC) derivatives, exchange traded Futures and Options (F&O) and Securities Financing Transactions (SFT). SSE scales the Firm’s point in time counterparty exposure under a range of stressed but plausible market environments to calculate the potential loss following the instantaneous default of a counterparty, enabling Credit Officers to analyze the resulting profit/loss to better understand the risks across a range of economic and market scenarios, as well as the risk factors and assets responsible for the losses in each scenario. SSE is calculated by applying instantaneous shocks to jointly stressed counterparty positions and collateral. The SSE metric is calculated daily for non-CCP and weekly for CCPs per the Strategic Stress Exposure Framework.

Potential Future Exposure (Peak) is the exposure measure used in limit setting and considers the netting and collateral. It is calculated as a 93.5% Expected Shortfall measure which is calibrated to be broadly equivalent in severity to a percentile measure at 97 to 98% confidence level. Peak is a tail risk measure that assumes that the default of a counterparty coincides with a highly disadvantageous market conditions, and so measures a “near worst case”.

Duration Based Settlement Exposure (DBSE) considers the duration of risk resulting from settling different currencies locally and is used for limits monitoring against Settlement Limits. DBSE measures the amount of purchased contracts which are delivered on a single day to a particular counterparty. It does not include Delivery vs. Payment (DVP) or Payment vs. Payment (PVP) transactions.

Gross Market Concentration (GMC) is a measurement of the size of a traded position (OTC, Cleared and Securities Financing Transactions) with a counterparty that references a single

issuer or asset vs. the traded market depth of that issuer or asset, as determined by reference to the applicable dollar value of the average daily trading volume.

JPMCB Jhb calculates standalone CCR on a standardised approach, based on its exposure to OTC derivatives.

4.6 Credit Risk Mitigation (CRC)

As part of its management of credit and counterparty credit exposures, the Firm actively engages in credit risk mitigation techniques to reduce the amount of credit risk it is taking, to spread the concentration of risk across its portfolio and ultimately to ensure efficient use of capital in compliance with the applicable regulations. This is accomplished through a number of means, including loan syndications and participations, loan sales, securitizations, credit derivatives, master netting agreements, collateral, and other risk-reduction techniques.

As a result of such credit risk mitigation activities the firm is potentially exposed to residual risk to the extent that said techniques prove less effective than expected. In this regard, the firm has established policies and procedures to ensure that this risk is adequately governed, and the mitigating technique conservatively measured, as detailed below.

Receipt of collateral and netting arrangements: Where possible, the Firm seeks to mitigate its credit risk exposures arising from derivative transactions through the use of legally enforceable master netting arrangements and collateral agreements. Haircut is applied to non-cash assets accepted as collateral. This is in recognition of the fact that collateral is subject to price volatility and liquidity constraints. Furthermore, there is a timing gap between the calculation of exposure and the liquidation of offsetting collateral. In addition, a Collateral Confidence Factor (CCF) is assigned to each jurisdiction where the Firm has obtained a legal opinion on collateral enforceability. Any changes to CCFs require approval by the Legal Department. If the CCF is lower than 95% then, although J. P. Morgan would strictly have legal rights to collateral, conservatively no benefit is given to collateral in the exposure calculation for the purposes of capital requirements

The Firm also seeks to mitigate its credit risk exposures through the use of legally enforceable master netting arrangements. These master netting agreements allow for netting of credit risk exposure to a counterparty resulting from transactions against the Group’s obligations to the counterparty in the event of default, to produce lower net credit exposure. Similarly to CCF, Netting Confidence Factor (NCF) is assigned to each jurisdiction where the Firm has a legal opinion on netting enforceability during a closeout. Netting enforceability can affect the firm's ability to reduce exposure with collateral. NCF is assigned by Firm's legal department.

Guarantees: The Risk Grading Guideline policy sets out specific requirements of an “eligible guarantee” for purposes of Risk-Based Capital Rules applicable to the Firm. The Credit Officer, in consultation with the Legal Department or external counsel, is responsible for determining whether a guarantee or other support document meets the requirements of an “eligible guarantee” for purposes of Risk-Based Capital Rules applicable to the firm. If the guarantee is on forms prepared and approved by the Legal Department, an additional consultation is not necessary unless otherwise required by this guideline.

Credit Derivatives: The Firm uses credit derivatives to manage the credit risk associated with lending exposures (loans and unfunded commitments) in its wholesale and consumer businesses and derivatives counterparty exposures in its wholesale businesses, and to manage credit risk arising from certain financial instruments in the Firm's market-making businesses. The effectiveness of credit default swaps (“CDS”) as a hedge against the Firm’s exposures may vary depending on a number of factors, including the named reference entity (i.e. the Firm may experience losses on specific exposures that are different than the named reference entities in the purchased CDS); the contractual terms of the CDS (which may have a defined credit event that does not align with an actual loss realized by the Firm); and the maturity of the Firm’s CDS

protection (which in some cases may be shorter than the Firm's exposures). However, the Firm generally seeks to purchase credit protection with a maturity date that is the same or similar to the maturity date of the exposure for which the protection was purchased, and remaining differences in maturity are actively monitored and managed by the Firm.

4.7 Wrong Way Risk (CCRA)

The Firm may be exposed to additional credit risk as a result of wrong way nature of certain OTC Derivatives, Cleared Derivatives, Futures & Options and Securities Financing trades, or the wrong way nature of collateral taken against these trades. The Firm has established a Standard that defines governance framework and additional controls to cover specific and general wrong way risk. Specific Wrong Way Risk (SWWR) is when the potential exposure on a transaction with a counterparty is highly and adversely correlated with the counterparty's creditworthiness. This risk is generally measured on the basis of an immediate jump-to-default assumption. General Wrong Way Risk (GWWR) arises for a given counterparty when the exposure and likelihood of default of the counterparty are positively correlated with general market risk factors.

Template CCR1: Analysis of counterparty credit risk exposure approach

		a	b	c	d	e	f
		(R millions)					
		Replacement cost	Potential future exposure	Effective EPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	1,846	7,165		1.4	12,616	3,965
2	Internal Model Method (for derivatives and SFTs)			-	-	-	-
3	Simple approach for credit risk mitigation (SFTs)					-	-
4	Comprehensive approach for credit risk mitigation (for SFTs)					320	-
5	Value-at-risk (VaR) for SFTs					-	-
6	**Total**						**3,965**

Template CCR3: Standardised approach of CCR exposures by regulatory portfolio and risk weights

	a	b	c	d	e	f	g	h	i
	R'M	R'M	R'M	R'M	R'M	R'M	R'M	R'M	R'M
Risk weight/ Regulatory portfolio	**0%**	**10%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposure**
Sovereigns	65								65
Non-central government public sector entities (PSEs)			2,819						2,819
Multilateral development banks (MDBs)									
Banks	6,316					1,290		4	7,610
Securities firms			16						16
Corporates						2,107			2,107
Regulatory retail portfolios									
Other assets									
Total	**6,381**		**2,835**			**3,396**		**4**	**12,616**

Template CCR5: Composition of collateral for CCR exposures

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
	R'M	R'M	R'M	R'M	R'M	R'M
Cash-domestic currency	-	2,999	-	1,991	-	29,109
Cash-other currencies						
Domestic sovereign debt	-	-	-	-	20,801	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**2,299**	**-**	**1,991**	**20,801**	**29,109**

Template CCR6: Credit derivative exposures

	a	b
	Protection bought	**Protection sold**
	(R million)	**(R million)**
Notionals		
Single-name credit default swaps	214	214
Index credit default swaps	-	-
Total return swaps	-	-
Credit options	-	-
Other credit derivatives	-	-
Total notionals	214	214
Fair values		
Positive fair value (asset)	6	-
Negative fair value (liability)	-	6

Credit valuation adjustments (CVAA)

The Basic Approach to Credit Valuation Adjustment (BA-CVA) is a Basel III regulatory framework that requires banks to hold capital for CVA risk, i.e., the risk of losses arising from changes in the creditworthiness of derivative counterparties. The Branch adopted and implemented BA-CVA and went live on 1 July 2025, in line with the Prudential Authority's revised CVA requirements and the Branch's implementation readiness plan.

The Branch identifies and measures CVA risk for regulatory purposes using the Reduced BA-CVA approach, selected after assessing its exposures, hedging strategy and credit portfolio, and implemented through a locally managed tool with the Firm's support. The tool is supported by multiple upstream data sources and systems.

The control framework includes automated data validation checks with results subject to oversight through established governance committees including ongoing review and challenge of BA-CVA results as part of business-as-usual. In addition, the BA-CVA model and its implementation were subject to independent review and assurance, and findings were addressed through the bank's remediation process.

The bank does not currently hedge CVA risk and therefore has not established a dedicated CVA hedging programme or a separate CVA desk; accordingly, ongoing hedge effectiveness monitoring is not applicable.

The branch has not chosen to set its capital requirement for CVA at 100% of the bank's capital requirement for counterparty credit risk as applicable under [MAR40].

Template CVA1: The reduced basic approach for CVA (BA-CVA)

		a	b
		Components	**BA-CVA RWA**
1	Aggregation of systematic components of CVA risk	2,286,343,394,975	
2	Aggregation of idiosyncratic components of CVA risk	997,890,453,410	
3	**Total**		**14,724**

5 Operational risk (ORA)

Operational risk is the risk of an adverse outcome resulting from inadequate or failed internal processes or systems; human factors; or external events impacting the Firm's processes or systems. Operational Risk includes compliance, conduct, legal, and estimations and model risk. Operational risk is inherent in the Firm's activities and can manifest itself in various ways, including fraudulent acts, business disruptions (including those caused by extraordinary events beyond the Firm's control) cyber-attacks, inappropriate employee behaviour, failure to comply with applicable laws, rules and regulations or failure of vendors or third-party providers to perform in accordance with their agreements. Operational Risk Management attempts to manage operational risk at appropriate levels in light of the Firm's financial position, the characteristics of its businesses, and the markets and regulatory environments in which it operates.

5.1 Operational Risk Management Framework

The Firm's Compliance, Conduct, and Operational Risk ("CCOR") Management Framework is designed to enable the Firm to govern, identify, measure, monitor and test, manage and report on the Firm's operational risk.

5.2 Operational Risk Governance

The CCOR organisation establishes policies and standards which set forth the requirements for the LOBs and CFs regarding the management and oversight of compliance, conduct, and operational risks inherent within the firm's activities.

Key documents applicable to the management of compliance risk will include:

- CCOR Management Governance Policy - Firmwide;
- CCOR Management Standard - Firmwide;
- Compliance and Operational Risk Evaluation (CORE) Standard – Firmwide; and
- JPMC Code of Conduct.

The LOBs and CFs execute the CCOR management framework and manage the compliance, conduct, and operational risks that arise from their activities. Control Managers, who are members of the LOBs and CFs and part of the Control Management Organisation partner with LOB/CF executives and first line of defence process owners in control design, control evaluation and issue management of operational risks. They are responsible for the day-to-day execution of the CCOR Framework and will determine where targeted remediation efforts may be required based on the effectiveness of their control environments. LOBs and CFs regularly monitor their risks and evaluate that established controls are functioning as expected (control performance) and are effective in managing risks (control design).

5.3 Operational Risk Identification and Measurement

Operational risk identification is primarily owned by the Lines of Business (LOBs) and Corporate Functions (CFs), which are responsible for identifying compliance, conduct, and operational risks arising in day-to-day activities, including risks associated with new, modified, or expanded business. Audit is excluded from having primary responsibility for risk identification. CCOR provides oversight and effective challenge of how LOBs and CFs identify these risks.

Operational risk measurement is led by the LOBs and CFs through assessing risks and designing, executing, and evaluating the related control environment in accordance with CCOR-established standards. CCOR independently reinforces measurement by applying qualitative and quantitative assessments, estimating operational risk stress losses, and determining

operational risk regulatory capital, while identifying key risk drivers and relevant mitigating controls.

5.4 Operational Risk Monitoring and testing

The firm's Monitoring and Testing (M&T) Program is governed by Compliance, Conduct and Operational Risk (CCOR) in the 2LOD. Effective independent testing and monitoring of controls that mitigate operational and compliance risk is an integral component of the firm's framework to manage compliance and operational risk. The M&T Program activities are informed by the firm's risk assessments and are designed to identify control gaps or deficiencies, including identification of potential non-compliance with applicable, material laws, rules, and regulations. The M&T Program activities validate that the procedures, processes and controls that mitigate operational and compliance risk are well-designed and working as intended. The Testing Center of Excellence (TCoE), in the first line of defense (1LOD), is responsible for executing the majority of the M&T Program's required testing activities. The 2LOD also executes certain M&T Program testing activities.

5.5 Management of Operational Risk

All three lines of defense identify compliance and operational risk issues for the LOBs and CFs, which then must be remediated through action plans on an as-needed basis to mitigate and reduce compliance, conduct, and operational risk. The status of these issues is reported through the appropriate LOB or CF Control Committees. CCOR also provides credible challenge to issues identified by LOBs and CFs and provides objection or non-objection for certain items.

5.6 Operational Risk Reporting

The LOBs and CFs are responsible for reporting the results of risk assessments, including but not limited to, Qualitative Risk Appetite. Regular reporting of risk and controls is also performed within control governance forums including, but not limited to, control committees. CCOR reports on the results of its activities to the LOBs and CFs including challenges to risk assessments. LOBs, CFs and CCOR report and escalate issues to the Board of Directors' Risk Committee (Risk Committee) and senior management, consistent with the firm's escalation practices.

5.7 JPMCB Jhb Operational Risk Overview

JPMCB Johannesburg adheres to the Firmwide Compliance, Conduct and Operational Risk Management Framework to manage compliance, conduct and operational risk activities across the Branch.

The Branch maintains a dedicated Location Control Manager (LCM) who sits within the business, reports through the Control Management organization, and supports execution of the CCOR framework at the location level within the region, coordinating with relevant stakeholders and control functions.

A Location Operational Risk and Control Committee (LORCC) operates as the forum for Senior Managers to discuss operational risks and oversee the control environment for each line of business operating in South Africa; the committee reviews metrics and indicators evidencing the soundness and effectiveness of operational risk processes, and, as a delegated committee of the Branch Oversight Committee (BOC), escalates issues to the BOC as appropriate.

5.8 JPMCB Jhb Operational Risk Capital Measurement

With the implementation of the Basel 3.1 rules the Operational Risk Standardised Measurement approach was replaced with a single non-model based method for the estimation of operational risk capital.

Banks are divided into 'buckets' according to the size of their Business Indicator ("BI"). Capital is calculated using the BI component, which increases linearly within buckets. The marginal effect of the BI on the BI Component is greater for the higher buckets than for the lower ones.

Capital is calculated in two steps i) a baseline level of capital is calculated using the BI (the BI component) depending on the 'bucket', using a layered application of the coefficients in the calculation. ii) an Internal Loss Multiplier ("ILM"), links capital to an organisation's historical operational loss experience, to differentiate between banks with different risk profiles.

Template OR2: Business Indicator and subcomponents

		a	b	c
	BI and its subcomponents	**T**	**T–1**	**T–2**
1	Interest, lease and dividend component	1,014		
1a	Interest and lease income	2,470	3,033	3,121
1b	Interest and lease expense	1,031	2,633	1,919
1c	Interest earning assets	75,784	56,884	41,149
1d	Dividend income	-	-	-
2	Services component	997		
2a	Fee and commission income	643	647	514
2b	Fee and commission expense	64	110	5
2c	Other operating income	-	(0)	-
2d	Other operating expense	477	407	303
3	Financial component	857		
3a	Net P&L on the trading book	343	1,163	169
3b	Net P&L on the banking book	(245)	(312)	(339)
4	BI	2,868		
5	Business indicator component (BIC)	344		

Disclosure on the BI:

		a
6a	BI gross of excluded divested activities	-
6b	Reduction in BI due to excluded divested activities	-

Template OR3: Minimum required operational risk capital

		a
1	Business indicator component (BIC)	344
2	Internal loss multiplier (ILM)	1.00
3	Minimum required operational risk capital (ORC)	344
4	Operational risk RWA	4,302

6 Interest rate risk in the banking book (IRRBBA)

Interest Rate Risk in the Banking Book (IRRBB) is defined as interest rate risk resulting from the Firm's traditional banking activities (accrual accounted on and off-balance sheet positions) which include the extension of loans and credit facilities, taking deposits and issuing debt (collectively referred to as 'non-trading' activities); and also the impact from Treasury and Chief Investment Office (T/CIO) investment securities portfolio and other related T/CIO activities. IRR from non-trading activities can occur due to a variety of factors, including but not limited to

- Difference in the timing of re-pricing of assets, liabilities, and off-balance sheet instruments.
- Differences in the balances of assets, liabilities, and off-balance sheet instruments that re-price at the same time.
- Differences in the amounts by which short-term and long-term market interest rates change; and
- Impact of changes in the duration of various assets, liabilities, or off-balance sheet instruments as interest rates change.

JPMCB JHB is incorporated into the Firmwide Interest Rate Risk management framework.

6.1 Risk identification and measurement

Treasury and Chief Investment Office (T/CIO) manages interest rate risk exposure on behalf of the Firm by identifying, measuring, modelling, and monitoring Firmwide interest rate risk. The office identifies and understands material balance sheet impacts of new initiatives and products and executes market transactions to manage interest rate risk through its investment portfolio positions. Execution is based on parameters established by senior management, per the Investment Policy. Lines of businesses are responsible for developing and monitoring the appropriateness of LOB specific interest rate risk modelling assumptions. The Funds Transfer Pricing policy provides a framework to transfer interest rate risk from LOBs to T/CIO.

Measures to monitor and manage Interest Rate Risk include:

- Earnings-at-Risk (EaR): Primary metric used to gauge the Firm's shorter term interest rate risk exposure is Earnings at Risk (EaR), or the sensitivity of pre-tax net interest income and interest rate sensitive fees to changes in interest rates over a rolling 12 months compared to a base scenario.
- Duration of Equity (DoE): Primary metric used to determine the Firm's long-term exposure to interest rate changes. DoE is calculated by measuring the change in the discounted value of asset, liability, and off-balance sheet cash-flows for a 100-basis point change in interest rates, divided by the book value of equity.
- Economic Value Sensitivity (EVS): EVS is an additional Firmwide metric utilized to determine changes in Economic Value of Equity (EVE) due to changes in interest rates. EVE sums the present value of expected future cash-flows across the Firm's balance sheet.

Additional scenario analysis, including Firmwide Stress Initiative (FSI) scenarios and bespoke scenarios, will also be run, as required.

6.2 Risk Monitoring

The independent International Asset Liability Management ("IALM") Risk function is responsible for oversight of IRR. The function's responsibilities include the identification, measurement, and monitoring of IRR, including establishing and monitoring IRR Limits. IALM Risk periodically reviews/updates the limits as appropriate.

IRR limits are established for Economic Value Sensitivity (“EVS”)/Equity and Earnings-at-Risk (“EaR”) for JPMCB Jhb.

6.3 Approach to risk management

JPMCB Jhb banking book’s interest rate risk is managed by Treasury, with responsibilities delegated to the South African treasurer.

At the legal entity level, IRR is monitored using Earnings at Risk and Economic Value Sensitivity (“EVS”) of the banking book under two parallel and four non-parallel shifts in interest rate curve. The magnitude of the interest rate shocks is prescribed by the Basel Committee on Banking Supervision (BCBS). The impact of the binding scenarios on the Earnings-at-risk (EaR) and economic value (EVS) from IRRBB of JPMCB Jhb are shown in the tables below.

Template IRRBB1 – Quantitative information on IRRBB

In reporting currency	**∆EVE**		**∆NII**	
Period	**31 Dec 2025**	**31 Dec 2024**	**31 Dec 2025**	**31 Dec 2024**
Parallel up	(60)	(46)	723	645
Parallel down	64	49	(723)	(645)
Steepener	32	24		
Flattener	(43)	(32)		
Short rate up	(60)	(45)		
Short rate down	63	48		
Maximum	(60)	46	723	645
Period		**31 Dec 2025**		**31 Dec 2024**
Tier 1 capital		23,657		13,611

7 Liquidity risk (LIQA)

Liquidity risk is the risk that JPMCB Jhb cannot meet its contractual and contingent financial obligations as they fall due, or does not maintain an appropriate amount, composition, and tenor of funding and liquidity to support its assets and liabilities. JPMCB Jhb's liquidity and funding management is integrated into JPMorganChase & Co.'s firmwide liquidity management framework.

7.1 Liquidity management organization and objectives

Liquidity management is led by the Treasury and Chief Investment Officer (CIO). The Firm's primary objectives are to ensure core businesses and material legal entities can meet obligations through normal cycles and stress events, and to manage an optimal funding mix and liquidity sources. This is supported through analysis of asset/liability liquidity characteristics, internal liquidity stress-testing assumptions, firmwide and legal-entity liquidity strategies/policies/reporting/contingency funding plans, management within approved liquidity risk appetite limits, regulatory compliance, and Funds Transfer Pricing (FTP) aligned to liquidity characteristics. The Firm manages liquidity centrally on a global basis to optimise liquidity sources/uses, monitor exposures, identify transfer constraints between legal entities, and maintain surplus liquidity at firmwide and legal-entity levels.

7.2 Liquidity Risk Management and Governance

The Liquidity Risk Management (LRM) function acts as an independent second line of defence, responsible for independent assessment, measurement, monitoring, and control of liquidity risk across the Firm. LRM defines/monitors/reports liquidity metrics, establishes and monitors limits/indicators (including liquidity risk appetite), manages limit breach classification/monitoring/reporting, performs independent reviews of liquidity risk management processes, monitors stress tests and regulatory liquidity metrics, and approves or escalates changes to liquidity stress assumptions. Governance is supported by firmwide and regional/legal entity/LOB committees, including the Firmwide Board Risk Committee, Firmwide ALCO, Treasurer Committee, and CTC Risk Committee (co-chaired by the JPMC CFO and CTC CRO) which oversees key stress testing practices/results, liquidity buffer composition, limit compliance, and independent review summaries. Liquidity risk principles are set out in the Firm's Liquidity Risk Management Policy and the Liquidity Risk Limits and Indicators Standard.

7.3 Limits/indicators, stress testing, contingency planning, and JHB regulatory metrics

Liquidity risk is controlled through a limits and indicators framework (Level 1–3), established by International ALM Risk (within LRM) in conjunction with Global Treasury, tracked and reported at defined frequencies (including daily tracking), with formal approvals and escalation/notification requirements for changes and breaches. Internal liquidity stress testing is performed for the Firm and material legal entities, considering funding market access, contingent/non-contractual outflows, and impediments to liquidity transferability; JPMCB Jhb is included in the firmwide framework and uses the JPM Stress internal scenario (managed through 90 days) assuming an extreme market and idiosyncratic stress event starting on day 1. The Firm's Contingency Funding Plan (CFP) (approved by firmwide ALCO and the Board Risk Committee) sets procedures and funding/liquidity resources for stress events; a JPMCB Johannesburg legal entity addendum applies. Locally, the South African ALCO (SA ALCO) reviews JPMCB Jhb's liquidity risk profile, and the Branch is subject to PA liquidity regulations including LCR (minimum 100%), NSFR (minimum applicable requirement effective 1 January 2018), and the liquid asset requirement; the Branch did not breach its LCR, NSFR, or liquid asset requirement limits/indicators during 2025.

Template LIQ1: Liquidity Coverage Ratio

(R millions)		Total unweighted value (daily average October to December 2025)	Total weighted value (daily average October to December 2025)
High quality liquid assets			
1	Total HQLA		19,818
Cash outflows			
2	**Retail deposits and deposits from small business customers, of which:**	-	-
3	Stable deposits	-	-
4	Less stable deposits	-	-
5	**Unsecured wholesale funding, of which:**	**18,185**	**7,082**
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	18,185	7,082
8	Unsecured debt	-	-
9	**Secured wholesale funding**		-
10	**Additional requirements, of which:**	**6,446**	**4,314**
11	Outflows related to derivative exposures and other collateral requirements	4,207	4,207
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	2,037	102
14	**Other contractual funding obligations**	**-**	**-**
15	**Other contingent funding obligations**	**202**	**5**
16	**TOTAL CASH OUTFLOWS**		**11,396**
	Cash inflows		
17	**Secured lending (e.g. reverse repos)**	**4,050**	**-**
18	**Inflows from fully performing exposures**	19,550	19528
19	Other cash inflows	381	381
20	**TOTAL CASH INFLOWS**	**23,981**	**19,909**
			Total adjusted value
21	**Total HQLA**		19,818
22	**Total net cash outflows**		2,849
23	**Liquidity Coverage Ratio (%)**		695.15%

Where applicable, monthly average values have been reported in place of daily averages.

Template LIQ2: Net Stable Funding Ratio (NSFR)

		a	b	c	d	e
(In currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) item						
1	**Capital:**	**-**	**-**	**-**	**23,767**	**23,767**
2	*Regulatory capital*	-	-	-	*23,767*	*23,767*
3	*Other capital instruments*	-	-	-	-	-
4	**Retail deposits and deposits from small business customers:**					
5	*Stable deposits*	-	-	-	-	-
6	*Less stable deposits*	-	-	-	-	-
7	**Wholesale funding:**	**-**	**47,092**	**-**	**-**	**5,276**
8	*Operational deposits*	-	-	-	-	-
9	*Other wholesale funding*	-	47,092	-	-	5,276
10	**Liabilities with matching interdependent assets**		**-**	**-**	**-**	**-**
11	**Other liabilities:**	**-**	**3,785**	**-**	**144**	**144**
12	*NSFR derivative liabilities*				-	
13	*All other liabilities and equity not included in the above categories*	-	3,786	-	144	144
14	**Total ASF**					29,187
Required stable funding (RSF) item						
15	**Total NSFR high-quality liquid assets (HQLA)**					**1,646**
16	**Deposits held at other financial institutions for operational purposes**		**-**	**-**	**-**	**-**
17	**Performing loans and securities:**	**-**	**37,685**	**782**	**97**	**5,207**

18	*Performing loans to financial institutions secured by Level 1 HQLA*		20,654	-	-	2,065
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*		16,742	15	86	2,604
20	*Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:*		289	767	11	537
21	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*		-	-	-	-
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk*		-	-	-	-
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*		-	-	-	-
25	**Assets with matching interdependent liabilities**		**-**	**-**	**-**	**-**
26	**Other assets:**	**-**	**929**	**-**	**2,339**	**2,041**
27	*Physical traded commodities, including gold*					
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties*					
29	*NSFR derivative assets*				-	-
30	*NSFR derivative liabilities before deduction of variation margin posted*				-	-
31	*All other assets not included in the above categories*		929	-	2,339	2,041
32	**Off-balance sheet items**				**1,998**	**396**
33	**Total RSF**					9,290
34	**Net Stable Funding Ratio (%)**					314.16%

7.4 Encumbered and unencumbered assets

Template ENC: Asset encumbrance

	a	b	c	d
	Encumbered assets	**Central bank facilities**	**Unencumbered assets**	**Total**
Balances with the Central Bank	700	2,249	-	2,949
South African Government bonds	28,098	-	130	28,228
Treasury bills	3,991	-	-	3,991
Remaining assets	80	-	60,329	60,409

8 Remuneration

This section sets out the remuneration disclosures required in relation to JPMCB Jhb and in respect of the remuneration period ("Performance Year") ending 31 December 2025.

This disclosure sets out general principles. Details of specific remuneration programmes are set forth in the relevant plan terms and conditions as in force from time to time..

8.1 Qualitative Disclosures (REMA)

As part of the Firm, JPMCB Jhb applies J.P. Morgan's global compensation practices and principles. The qualitative remuneration disclosures required under the Basel Pillar 3 standards in respect of all employees of the Firm's businesses operating in EMEA, including staff of JPMCB Jhb, is available in the most recent EMEA Remuneration Policy Disclosure at: http://investor.shareholder.com/jpmorganchase/basel.cfm

8.2 Additional qualitative disclosures specific to JPMCB Jhb

The South African regulations do not include guidance on, or a definition of, "material risk taker" ("MRTs") or "Senior Management". For the purposes of this disclosure, JPMCB Jhb has identified:

- Nine members of the Branch as "Senior Management" being those employees that comprise its Branch Oversight Committee
- One further employee of the Branch as "Other Material Risk Takers" on the basis of their role (in particular their regulatory designation) and total compensation level

8.3 Quantitative disclosures

The prescribed disclosures in relation to these two groups are set out in the templates below as follows:

- Template REM1: Remuneration awarded during the financial year
- Template REM2: Special payments
- Template REM3: Analysis of deferred remuneration

In preparation of these disclosures, JPMCB Jhb has taken into account its size, in particular the number of individuals identified as "Senior Management" and "Other Material Risk Takers" for the purposes of this disclosure. In light of these considerations, JPMCB Jhb concluded that it was appropriate to aggregate the compensation information for these groups.

Where compensation was denominated in currencies other than ZAR, the annual average FX rate has been used for the purposes of these disclosures (17.90 ZAR : 1 USD). Note that 2024 figures have not been restated.

Template REM1: Remuneration awarded during the financial year

			a	b
	Remuneration amount		Senior management	Other material risk-takers
1	Fixed remuneration	Number of employees	12	10
2		Total fixed remuneration (rows 3 + 5 + 7)	54	47
3		Of which: cash-based	54	47
4		Of which: deferred	-	-
5		Of which: shares or other share-linked instruments	-	-
6		Of which: deferred	-	-
7		Of which: other forms	-	-
8		Of which: deferred	-	-
9	Variable remuneration	Number of employees	10	10
10		Total variable remuneration (rows 11 + 13 + 15)	62	79
11		Of which: cash-based	41	43
12		Of which: deferred	-	-
13		Of which: shares or other share-linked instruments	21	36
14		Of which: deferred	21	36
15		Of which: other forms	-	-
16		Of which: deferred	-	-
17	Total remuneration (rows 2 + 10)		116	125

Template REM2: Special payments

Special payments	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of employees	Total amount	Number of employees	Total amount	Number of employees	Total amount
Senior management	-	-	-	-	-	-
Other material risk-takers	-	-	-	-	-	-

Template REM3: Deferred remuneration

	a	b	c	d	e
Deferred and retained remuneration	Total amount of outstanding deferred remuneration	Of which: total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment	Total amount of amendment during the year due to ex post explicit adjustments	Total amount of amendment during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year
Cash	-	-	-	-	-
Shares	89	89	-	19	(30)
Cash-linked instruments	-	-	-	-	-
Other	-	-	-	-	-
Total	**89**	**89**	**-**	**19**	**(30)**