

JPMorganChase

NET STABLE FUNDING RATIO DISCLOSURE

For the quarterly periods ended March 31, 2025 and June 30, 2025

Table of Contents

Net Stable Funding Ratio	1
Net Stable Funding Ratio Results	2
Available Stable Funding	4
Sources of funds	4
Deposits	4
Capital and Securities	5
Regulatory Capital	5
Long-Term Funding	5
Short-Term Funding	5
Required Stable Funding	7
Loans	7
Securities Financing	7
Securities	7
Other Assets	7
Derivatives	7
Off-balance sheet lending-related financial instruments, guarantees, and other commitments	7
ASF and RSF Factors	8
Liquidity management	9
Liquidity risk management	9
Internal stress testing	9
Governance	9

NET STABLE FUNDING RATIO

Net Stable Funding Ratio

The U.S. Net Stable Funding Ratio rule (the "NSFR rule") requires that JPMorgan Chase & Co. ("the Firm") and JPMorgan Chase Bank, National Association ("JPMorgan Chase Bank, N.A.") each maintain an amount of stable funding to support their respective assets, commitments and derivatives exposures over a prospective one-year time horizon. Available Stable Funding ("ASF") for the purpose of calculating the NSFR is calculated by applying prescribed standardized weightings ("ASF factors") to the Firm's and JPMorgan Chase Bank, N.A.'s regulatory capital and liabilities based on their corresponding stability and maturity. Required Stable Funding ("RSF") is calculated by applying prescribed standardized weightings ("RSF factors") to assets, commitments and derivative exposures, based on their tenor, liquidity quality, maturity and, where applicable, period of encumbrance of the asset. The NSFR for both the Firm and JPMorgan Chase Bank, N.A. is required to be a minimum of 100%.

Under the NSFR rule, the amount of ASF in excess of RSF held by JPMorgan Chase Bank, N.A. excluding the impact of transactions with non-bank affiliates, that is not transferable, must be excluded from the Firm's reported ASF.

The following table summarizes the Firm's average NSFR for the three months ended March 31, 2025 and June 30, 2025 based on the Firm's interpretation of the finalized NSFR framework.

Average weighted amount ^(a) (in millions)	Three months ended	
	June 30, 2025	March 31, 2025
JPMorgan Chase & Co.:		
Total ASF	\$ 2,420,281	\$ 2,374,565
Total RSF	\$ 2,078,177	\$ 2,001,994
NSFR	116 %	119 %
Excess	\$ 342,104	372,571

(a) Represents the average weighted amount of ASF and RSF after applying prescribed standardized weightings.

The Firm's average NSFR is comprised of:

- ASF, which primarily consists of deposits, regulatory capital and long-term debt, and
- RSF, which primarily consists of loans, securities, other assets and derivatives.

The Firm's average NSFR of 116% for the three months ended June 30, 2025 decreased compared with the Firm's average NSFR of 119% for the three months ended March 31, 2025 reflecting an increase in the Firm's RSF, predominantly driven by loan growth and an increase in CIB market activities, largely offset by an increase in ASF, predominantly driven by an increase in deposits and long-term debt.

The Firm's average NSFR of 116% for the three months ended June 30, 2025 decreased compared with the Firm's average NSFR of 118% for the three months ended June 30, 2024, reflecting an increase in the Firm's RSF, predominantly driven by loan growth and an increase in CIB market activities. These impacts were largely offset by an increase in ASF, predominantly driven by an increase in deposits and long-term debt, partially offset by FHLB advance maturities.

The Firm's average NSFR fluctuates from period to period, as a result of the composition of the Firm's funding and its ongoing business activity.

The following tables present detail on the Firm's average NSFR, and average unweighted and weighted amount of ASF and RSF, for the three months ended June 30, 2025 and March 31, 2025.

Three months ended June 30, 2025 (in millions)	Unweighted Amount ^(a)					Weighted Amount ^(b)
	Open	< 6 months	6 months to < 1 year	>= 1 year	Perpetual	Total
	Amount	Amount	Amount	Amount	Amount	Amount
ASF ITEM						
1 Capital and securities:	\$ 3,199	\$ 77,306	\$ 21,799	\$ 385,804	\$ 352,714	\$ 749,418
2 NSFR regulatory capital elements ^(c)	0	0	0	32,656	352,714	385,370
3 Other capital elements and securities ^(d)	3,199	77,306	21,799	353,148	0	364,047
4 Retail funding:	974,585	159,415	19,943	18,872	0	1,052,561
5 Stable deposits	615,933	50,307	7,282	432	0	640,257
6 Less stable deposits	283,997	91,824	7,636	395	0	345,467
7 Sweep deposits, brokered reciprocal deposits, and brokered deposits	56,817	17,284	5,025	18,045	0	57,918
8 Other retail funding ^(e)	17,839	0	0	0	0	8,920
9 Wholesale funding:	1,464,691	545,382	18,833	17,937	0	618,302
10 Operational deposits	786,276	1,087	70	1	0	393,717
11 Other wholesale funding ^(f)	678,415	544,295	18,763	17,936	0	224,586
Other liabilities:						
12 NSFR derivatives liability amount ^(g)					0	
13 Total derivatives liability amount					53,853	
14 All other liabilities not included in categories 1 through 13 of this table	158,066	169,305	1,421	19,105	16,323	0
(Less): Non transferable excess subsidiary stable funding ^{(h) (m)}						0
15 TOTAL ASF^(m)						\$ 2,420,281
RSF ITEM						
16 Total high-quality liquid assets (HQLA) ^(l)	\$ 379,584	\$ 42,121	\$ 59,644	\$ 906,524	\$ 35,461	\$ 57,850
17 Level 1 liquid assets	379,535	41,133	57,628	675,242	0	713
18 Level 2A liquid assets	48	841	1,795	220,516	0	33,840
19 Level 2B liquid assets	1	146	220	10,766	35,461	23,297
20 Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries ^(j)	17,170	37,570	0	1	0	0
21 Operational deposits placed at financial sector entities or their consolidated subsidiaries	26,407	0	0	0	0	13,203
22 Loans and securities: ⁽ⁱ⁾	291,407	709,851	164,060	1,260,994	214,122	1,563,804
23 Loans to financial sector entities secured by level 1 liquid assets ^(k)	35,615	329,160	2,484	875	0	23,295
24 Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities ^(k)	229,016	139,359	38,113	56,120	0	147,462
25 Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties ^(k)	25,269	216,842	107,110	669,876	0	747,451
26 Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217) ^(k)	8	8,308	4,779	26,003	0	29,375
27 Retail mortgages	47	2,430	2,661	299,746	0	233,646
28 Of which: With a risk weight no greater than 50 percent under Regulation Q (12 CFR part 217)	42	2,282	2,487	280,963	0	217,247
29 Securities that do not qualify as HQLA ⁽ⁱ⁾	1,461	22,059	13,692	234,377	214,122	411,949
Other assets:						
30 Commodities					1,152	980
31 Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					82,867	70,437
32 NSFR derivatives asset amount ^(g)					13,867	13,867
33 Total derivatives asset amount					67,720	
34 RSF for potential derivatives portfolio valuation changes					133,643	6,682
35 All other assets not included in categories 16-33 of this table, including nonperforming assets ⁽ⁱ⁾	678	87,165	820	161,912	70,899	321,474
36 Undrawn commitments					597,579	29,879
37 TOTAL RSF prior to application of required stable funding adjustment percentage^(m)						\$ 2,078,177
38 Required stable funding adjustment percentage						100%
39 TOTAL adjusted RSF^(m)						\$ 2,078,177
40 NET STABLE FUNDING RATIO						116 %

See page 4 for footnotes to the table.

Three months ended March 31, 2025 (in millions)		Unweighted Amount ^(a)					Weighted Amount ^(b)	
		Open	< 6 months	6 months to < 1 year	>= 1 year	Perpetual		Total
		Amount	Amount	Amount	Amount	Amount		Amount
ASF ITEM								
1 Capital and securities:	\$ 3,600	\$ 72,590	\$ 24,688	\$ 373,036	\$ 347,097	\$ 732,477		
2 NSFR regulatory capital elements ^(c)	0	0	0	31,462	347,097	378,559		
3 Other capital elements and securities ^(d)	3,600	72,590	24,688	341,574	0	353,918		
4 Retail funding:	968,227	155,748	21,022	17,490	0	1,047,092		
5 Stable deposits	609,041	51,071	7,580	468	0	634,752		
6 Less stable deposits	284,796	92,216	8,537	416	0	347,368		
7 Sweep deposits, brokered reciprocal deposits, and brokered deposits	56,602	12,461	4,905	16,606	0	56,077		
8 Other retail funding ^(e)	17,789	0	0	0	0	8,894		
9 Wholesale funding:	1,393,569	453,041	19,928	18,374	0	595,789		
10 Operational deposits	757,040	1,325	66	1	0	379,216		
11 Other wholesale funding ^(f)	636,529	451,716	19,861	18,373	0	216,573		
Other liabilities:								
12 NSFR derivatives liability amount ^(g)					0			
13 Total derivatives liability amount					50,372			
14 All other liabilities not included in categories 1 through 13 of this table	148,671	171,218	1,258	16,102	15,588	0		
(Less): Non transferable excess subsidiary stable funding ^(h)						792		
15 TOTAL ASF						\$ 2,374,565		
RSF ITEM								
16 Total high-quality liquid assets (HQLA) ⁽ⁱ⁾	\$ 419,834	\$ 36,411	\$ 56,448	\$ 804,081	\$ 27,251	\$ 51,133		
17 Level 1 liquid assets	419,707	35,218	54,516	589,232	0	784		
18 Level 2A liquid assets	118	1,008	1,669	204,993	0	31,567		
19 Level 2B liquid assets	9	185	264	9,856	27,251	18,782		
20 Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries ^(j)	17,615	43,372	0	0	0	0		
21 Operational deposits placed at financial sector entities or their consolidated subsidiaries	26,457	0	0	0	0	13,229		
22 Loans and securities: ^(k)	299,701	658,880	153,391	1,222,744	200,373	1,513,915		
23 Loans to financial sector entities secured by level 1 liquid assets ^(k)	30,399	279,867	2,235	1,350	0	21,142		
24 Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities ^(k)	243,168	136,306	36,086	47,212	0	139,799		
25 Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties ^(k)	24,777	215,535	99,252	648,320	0	724,500		
26 Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217) ^(k)	13	8,573	2,802	26,895	0	29,269		
27 Retail mortgages	42	2,462	2,616	300,742	0	234,791		
28 Of which: With a risk weight no greater than 50 percent under Regulation Q (12 CFR part 217)	38	2,317	2,455	282,792	0	219,078		
29 Securities that do not qualify as HQLA ⁽ⁱ⁾	1,316	24,709	13,202	225,119	200,373	393,682		
Other assets:								
30 Commodities					1,152	979		
31 Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangements					76,102	64,687		
32 NSFR derivatives asset amount ^(g)					12,768	12,768		
33 Total derivatives asset amount					63,140			
34 RSF for potential derivatives portfolio valuation changes					130,994	6,550		
35 All other assets not included in categories 16-33 of this table, including nonperforming assets ^(l)	492	78,345	751	139,234	90,824	309,647		
36 Undrawn commitments					581,737	29,087		
37 TOTAL RSF prior to application of required stable funding adjustment percentage						\$ 2,001,994		
38 Required stable funding adjustment percentage						100%		
39 TOTAL adjusted RSF						\$ 2,001,994		
40 NET STABLE FUNDING RATIO						119 %		

See page 4 for footnotes to the table.

- (a) Represents the average notional amount of ASF and RSF before applying prescribed standardized weightings to liabilities and assets included in ASF and RSF, respectively.
- (b) Represents the average weighted amount of ASF and RSF after applying prescribed standardized weightings.
- (c) Includes common stockholders' equity, qualifying Tier 2 capital subordinated long-term debt and qualifying loan loss reserves.
- (d) Includes secured and unsecured long-term debt issued by the Firm, commercial paper and beneficial interests issued by consolidated variable interest entities on the Firm's Consolidated balance sheets.
- (e) Predominantly includes: customer brokerage payables and other retail liabilities on the Firm's Consolidated balance sheets.
- (f) Includes non-operational deposits, as well as secured and unsecured wholesale funding which is included in accounts payable and other liabilities, and federal funds purchased and securities loaned or sold under repurchase agreements on the Firm's Consolidated balance sheets.
- (g) Represents the current value of derivative assets net of liabilities, as calculated under the NSFR rule, at a qualifying master netting agreement level, taking into account variation margin provided by and received by the Firm. Under the NSFR rule, a net current liability is to be reported on line 12 and a net current asset is to be reported on line 32.
- (h) Represents the average amount of ASF in excess of RSF held by JPMorgan Chase Bank N.A. excluding the impact of transactions with non-bank affiliates, that is not transferable, must be excluded from the Firm's reported ASF.
- (i) Includes both encumbered and unencumbered assets. Under the NSFR rule, High Quality Liquid Assets ("HQLA") is not subject to the operational considerations defined in the Liquidity Coverage Ratio ("LCR") rule.
- (j) Represents secured lending to central banks, receivables related to unsettled securities transactions, currency and coin balances and cash in process of collection.
- (k) Predominantly includes wholesale and retail loans, as well as securities borrowed or purchased under resale agreements.
- (l) Other Assets primarily consists of: goodwill, accrued interest and account receivables, tax-oriented and other equity investments, and premises and equipment reported on the Firm's Consolidated balance sheets.

Available Stable Funding

ASF is defined as the portions of regulatory capital and liabilities that are deemed to be stable funding sources based on the below characteristics:

- Funding tenor – based on remaining maturity, where longer remaining maturity is generally considered more stable and less susceptible to short-term rollover risk.
- Funding type – recognizes characteristics of the liabilities such as presence of deposit insurance, whether they are operational, or other stabilizing features that may increase the likelihood of a counterparty continuing the funding across a broad range of market conditions.
- Counterparty type – based on type of counterparty that provides the funding using the same counterparty type classifications as defined in the LCR rule, such as retail customer (more stable) or wholesale financial sector entity (less stable).

Sources of Funds

The Firm funds its global balance sheet through diverse sources of funding including deposits, secured and unsecured funding in the capital markets and stockholders' equity. Deposits are the primary funding source for JPMorgan Chase Bank, N.A. Additionally, JPMorgan Chase Bank, N.A. may access funding through short- or long-term secured borrowings, the issuance of unsecured long-term debt, or from borrowings from the Intermediate Holding Company ("IHC"), a subsidiary of JPMorgan Chase & Co. ("the Parent Company"). The Firm's non-bank subsidiaries are primarily funded from long-term unsecured borrowings and short-term secured borrowings which are primarily securities loaned or sold under repurchase agreements. Excess funding is invested by Treasury and Chief Investment Office

("CIO") in the Firm's investment securities portfolio or deployed in cash or other short-term liquid investments based on their interest rate and liquidity risk characteristics.

Deposits

The Firm believes that deposits provide a stable source of funding and reduce the Firm's reliance on the wholesale funding markets. A significant portion of the Firm's deposits are consumer deposits and wholesale operating deposits, which are both considered to be stable sources of liquidity. Wholesale operating deposits are generally considered to be stable sources of liquidity because they are generated from customers that maintain operating service relationships with the Firm.

For the three months ended June 30, 2025 and March 31, 2025, the Firm had total average unweighted retail deposits of \$1,155.0 billion and \$1,144.7 billion, respectively, and average weighted amounts of \$1,043.6 billion and \$1,038.2 billion, respectively, which resulted in an implied ASF percentage of 90% and 91% respectively.

For the three months ended June 30, 2025 and March 31, 2025, the Firm had total average unweighted wholesale deposits of \$1,306.6 billion and \$1,242.9 billion, respectively, and average weighted amounts of \$570.8 billion and \$547.7 billion, respectively, which resulted in an implied ASF percentage of 44% and 44% respectively.

The table below summarizes the average deposits for purposes of the NSFR for the three months ended June 30, 2025 and March 31, 2025, which are a component of retail and wholesale funding in the NSFR. Standardized weights are applied to the unweighted amount to calculate the average weighted amounts included in the Firm's NSFR.

(in millions)	Three months ended June 30, 2025			Three months ended March 31, 2025		
	Unweighted Amount	Weighted Amount	Weighted ASF Percentage	Unweighted Amount	Weighted Amount	Weighted ASF Percentage
Deposits ^(a)						
Retail Deposits:	\$ 1,154,977	\$ 1,043,642	90 %	\$ 1,144,699	\$ 1,038,197	91 %
Stable deposits	673,954	640,257	95 %	668,160	634,752	95 %
Less stable deposits	383,852	345,467	90 %	385,965	347,368	90 %
Sweep deposits, brokered reciprocal deposits, and brokered deposits	97,171	57,918	60 %	90,574	56,077	62 %
Wholesale deposits:	1,306,612	570,759	44 %	1,242,910	547,655	44 %
Operational deposits	787,434	393,717	50 %	758,432	379,216	50 %
Other wholesale deposits ^(b)	519,178	177,042	34 %	484,478	168,439	35 %
Total	\$ 2,461,589	\$ 1,614,401	66 %	\$ 2,387,609	\$ 1,585,852	66 %

(a) Excludes approximately \$43.5 billion and \$42.7 billion of average unweighted deposits recorded on the Firm's Consolidated balance sheets, primarily margin cash that is included in the calculation of Net Derivative Asset / Liability under the NSFR rule for the three months ended June 30, 2025 and March 31, 2025 respectively.

(b) Other wholesale deposits are included in Line 11 Other Wholesale funding within the tables on pages 2 and 3.

Capital and Securities

Regulatory Capital

The Firm holds regulatory capital in compliance with the capital rules under Basel III, which establish minimum capital ratios and overall capital adequacy standards for large and internationally active U.S. bank holding companies and banks, including the Firm and its insured depository institution subsidiaries, which includes JPMorgan Chase Bank, N.A.

The three components of regulatory capital under the Basel III rules are Common equity Tier 1 ("CET1") capital including common stockholder's equity, additional Tier 1 capital including perpetual preferred stock and Tier 2 capital including qualifying subordinated debt and loan loss reserves.

Regulatory Capital Elements, as defined in the NSFR rule, include common stockholders' equity, perpetual preferred stock, qualifying loan loss reserves and qualifying subordinated debt.

Refer to Note 27 of the JPMorgan Chase's Annual Report on Form 10-K for the year ended December 31, 2024 ("2024 Form 10-K") for additional information on regulatory capital.

Long-term Funding

Long-term funding provides an additional source of stable funding and liquidity for the Firm. The Firm's long-term funding plan is driven primarily by expected client activity, liquidity considerations and regulatory requirements, including Total Loss-Absorbing Capacity ("TLAC"). Long-term funding objectives include maintaining diversification, maximizing market access and optimizing funding costs. The Firm evaluates various funding markets, tenors and currencies in creating its optimal long-term funding plan.

The significant majority of the Firm's total outstanding long-term debt has been issued by the Parent Company to provide flexibility in support of the funding needs of both bank and non-bank subsidiaries. The Parent Company advances substantially all net funding proceeds to its subsidiary, the IHC. The IHC does not issue debt to external counterparties. For additional information on long-term debt, see Note 20 of the 2024 Form 10-K.

The Firm can also raise secured long-term funding through securitization of consumer credit card loans and FHLB advances.

Short-term Funding

The Firm's primary sources of short-term unsecured funding consist of issuances of wholesale commercial paper and other borrowed funds.

The Firm's sources of short-term secured funding primarily consist of securities loaned or sold under agreements to repurchase. These instruments are secured predominantly by high-quality securities collateral, including government-issued debt and U.S. government-sponsored enterprise ("GSE") and mortgage-backed securities ("MBS"). The balances associated with securities loaned or sold under agreements to repurchase fluctuate over time due to investment and financing activities of clients, the Firm's demand for financing, the ongoing management of the mix of the Firm's liabilities, including its secured and unsecured financing (for both the investment securities and market-making portfolios), and other market and portfolio factors.

For purposes of the NSFR disclosure, short and long-term funding is reported in Capital and Securities, with the exception of FHLB advances and securities loaned or sold under agreements to repurchase, which are reported in Wholesale Funding.

The following table summarizes average short-term and long-term funding, excluding deposits, as reported on the Firm's Consolidated balance sheets, for the three months ended June 30, 2025 and March 31, 2025. For additional information, see the Consolidated Balance Sheets Analysis on pages 14-15 and 12-13, and Liquidity Risk Management on pages 50-57 and 40-46, of JPMorgan Chase's Quarterly Report on Form 10-Q for the quarter end June 30, 2025 ("2Q25 Form 10-Q") and the Quarterly Report on Form 10-Q for the quarter end March 31, 2025 ("1Q25 Form 10-Q"), respectively. Standardized weights are applied to the unweighted amount to calculate the average weighted amounts included in the Firm's NSFR.

Sources of funds (excluding deposits)	Three months ended	
	June 30, 2025	March 31, 2025
(in millions)		
Total short-term unsecured funding	\$ 26,693	\$ 29,267
Total short-term secured funding ^(a)	614,690	513,504
Total long-term unsecured funding	334,947	325,542
Total long-term secured funding	84,134	85,912
Preferred stock ^(b)	20,045	20,013
Common stockholders' equity ^(c)	329,797	324,345

(a) Primarily consists of short-term securities loaned or sold under agreements to repurchase which are reported net on the Firm's Consolidated balance sheets when the relevant netting criteria under U.S. GAAP have been met.

(b) For additional information on preferred stock, see Capital Risk Management on pages 43-49 and Preferred Stock Note 17 of the 2Q25 Form 10-Q and Capital Risk Management on pages 33-39 and Preferred Stock Note 17 of the 1Q25 Form 10-Q.

(c) For additional information on common stockholders' equity, see Capital Risk Management on pages 97-107 and Common Stock Note 22 of the 2024 Form 10-K.

Required Stable Funding

RSF reflects the funding requirement based on the liquidity characteristics of the Firm's assets, commitments and derivative exposures evaluated against the following criteria:

- Tenor – based on remaining maturity, where longer remaining maturity generally requires more stable funding.
- Encumbrance - whether an asset is encumbered and the longer the duration of the encumbrance, generally requires more stable funding.
- Counterparty type – generally, lending to non-financial counterparties requires more stable funding than lending to financial counterparties.
- Credit quality – assets of a lower credit quality generally require more stable funding than those of higher credit quality.
- Market characteristics – assets that trade in less transparent markets with relatively few participants generally require more stable funding than those that are traded in transparent, standardized markets with a large number of participants and dedicated intermediaries.

Loans

The Firm accounts for loans based on the following categories: originated or purchased loans held-for-investment (i.e., "retained"), loans held-for-sale, and loans held at fair value. Additionally, the Firm's portfolio is divided into three portfolio segments: Consumer, excluding credit card; Credit card; and Wholesale. Refer to Note 12 of the 2024 Form 10-K for additional information on the Firm's loan portfolio.

Securities Financing

The Firm enters into resale agreements and securities borrowed transactions primarily to acquire securities to cover short sales, accommodate customers' financing needs, settle other securities obligations and to deploy the Firm's excess cash. Refer to Note 11 of the 2024 Form 10-K for additional information on the Firm's securities financing activities.

Securities

The Firm's securities consist of Trading securities and Investment securities, both Available For Sale ("AFS") and Held To Maturity ("HTM"). Refer to Note 10 in the 2024 Form 10-K for additional information on the Firm's investment securities portfolio and Note 2 for additional information on the Firm's trading securities.

The definition of HQLA and Non-HQLA for the purposes of calculating the NSFR is consistent with the LCR Rule. The NSFR rule does not apply the

operational requirements for HQLA as it does in the LCR rule, and includes encumbered securities.

Other Assets

Other Assets primarily consist of goodwill, accrued interest and account receivables, tax-oriented and other equity investments, and premises and equipment on the Firm's Consolidated balance sheets.

Derivatives

Derivatives enable clients and counterparties to manage risks including credit risk and risks arising from fluctuations in interest rates, foreign exchange, equities, and commodities. The Firm makes markets in derivatives in order to meet these needs and uses derivatives to manage certain risks associated with net open risk positions from its market-making activities, including the counterparty credit risk arising from derivative receivables. The Firm also uses derivative instruments to manage its own credit and other market risk exposure. For additional information on derivative contracts, see pages 134-136 of the 2024 Form 10-K.

Under the NSFR rule, RSF for derivatives include three components: (1) current net value component: accounts for the current net value of derivative assets net of liabilities at a qualifying master netting agreement level, taking into account variation margin provided by and received by the Firm; (2) initial margin component: accounts for initial margin provided by the Firm for its derivative transactions and assets provided by the Firm to a central counterparty's ("CCPs") mutualized-loss sharing arrangement for cleared derivative transactions; and (3) future value component: accounts for potential future derivatives valuation changes.

Off-balance sheet lending-related financial instruments, guarantees, and other commitments

In the normal course of business, the Firm enters into a number of off-balance sheet commitments to extend credit. Unfunded commitments are the undrawn portion of such legally binding commitments to extend credit to customers. Unfunded commitments for (a) working capital and general corporate purposes, (b) extensions of credit to backstop commercial paper and other debt financings (whether in the form of a loan commitment, a letter of credit or a standby bond purchase agreement) in the event that those obligations cannot be refinanced or remarketed to new investors, and (c) committed liquidity facilities to clearing organizations, expose the Firm to varying levels of liquidity risk, and as such are subject to prescribed RSF factors under the NSFR rule.

ASF and RSF Factors

The following table summarizes the range of ASF and RSF standardized weightings defined in the NSFR rule:

Category	Average Unweighted Amount	ASF / RSF rate			
		Minimum	Maximum		
Capital and securities	Carrying value of NSFR Regulatory Capital Element and of securities issued by the firm	0%	100%	Securities issued maturing in less than six months	NSFR Regulatory Capital Element; Securities issued maturing in one year or more
Retail and Wholesale funding					
Deposits	Carrying value of Retail and Wholesale Deposits, excluding those not subject to early withdrawal	0%	95%	Certain retail brokered deposits maturing in less than six months	Stable retail deposits
Non-Deposit Funding	Carrying value of Non-Deposit Funding, such as Secured Funding transactions	0%	50%	Funding from a financial sector entity or central bank maturing in less than six months; Trade date payables	Securities issued by a covered company maturing more than six months but less than one year; Retail funding that is not a deposit or security
ASF					
Derivatives					
NSFR Derivatives Liability	Current net value of derivatives assets and liabilities, taking into account variation margin provided and received	0%		NSFR Derivatives Liability (if total derivatives liability is greater than total derivatives asset)	
Other liabilities	All liabilities not included above	0%	100%	Other liabilities maturing in less than six months, including accrued interest and accounts payable; Trading Liabilities	Other liabilities not included above maturing in one year or more
Derivatives					
NSFR Derivatives Asset	Current net value of derivatives assets and liabilities, taking into account variation margin provided and received		100%		NSFR Derivatives Asset (if total derivatives asset is greater than total derivatives liability)
Potential Derivatives Portfolio Valuation Changes and Initial Margin	Gross Derivatives Liabilities and Initial Margin	5%	85%	Gross Derivative Liabilities calculated as if no variation margin has been exchanged	Assets provided as initial margin for derivative transactions and contributions to CCP's mutualized loss-sharing arrangements
RSF					
HQLA and Non-HQLA Securities, including Commodities	Cash and Securities classified as Level 1, Level 2A, Level 2B or Non-HQLA	0%	100%	Level 1 assets, including securities and cash that are unencumbered or encumbered for less than six months	Securities that have been encumbered for one year or more
Secured and Unsecured Lending	Carrying value of all secured and unsecured loans	0%	100%	Lending to financial sector entities or central banks maturing in less than six months and secured by rehypothecatable Level 1 HQLA	Unsecured lending to financial sector entities maturing in one year or more
Undrawn commitments	Carrying value that can be drawn within the NSFR horizon		5%		Undrawn commitments
Other assets	All assets not included above	0%	100%	Currency and coin; Cash in process of collection; Certain trade date receivables	All other assets, including accrued interest, accounts receivable, goodwill and tax-oriented and other equity investments

Liquidity management

Treasury and CIO is responsible for liquidity management. The primary objectives of effective liquidity management are to:

- Ensure that the Firm's core businesses and material legal entities are able to operate in support of client needs and meet contractual and contingent financial obligations through normal economic cycles as well as during stress events, and
- Manage an optimal funding mix and availability of liquidity sources.

The Firm addresses these objectives through:

- Analyzing and understanding the liquidity characteristics of the assets and liabilities of the Firm, lines of businesses legal entities, as well as currencies, taking into account legal, regulatory, and operational restrictions;
- Developing and maintaining internal liquidity stress testing assumptions;
- Defining and monitoring Firmwide and legal entity-specific liquidity strategies, policies, reporting and contingency funding plans;
- Managing liquidity within the Firm's approved limits and indicators, including liquidity risk appetite tolerances;
- Managing compliance with regulatory requirements related to funding and liquidity risk; and
- Setting funds transfer pricing in accordance with underlying liquidity characteristics of balance sheet assets and liabilities as well as certain off-balance sheet items.

As part of the Firm's overall liquidity management strategy, the Firm manages liquidity and funding using a centralized, global approach designed to:

- Optimize liquidity sources and uses;
- Monitor exposures;
- Identify constraints on the transfer of liquidity between the Firm's legal entities; and
- Maintain the appropriate amount of surplus liquidity at a Firmwide and legal entity level, where relevant.

Liquidity risk management

The Firm has a Liquidity Risk Management ("LRM") function whose primary objective is to provide independent oversight of liquidity risk across the Firm. Liquidity Risk Management's responsibilities include:

- Defining, monitoring and reporting liquidity risk metrics;
- Independently establishing and monitoring limits and indicators, including liquidity risk appetite;

- Developing a process to classify, monitor and report limit breaches;
- Performing an independent review of liquidity risk management processes to evaluate their adequacy and effectiveness;
- Monitoring and reporting internal Firmwide and legal entity liquidity stress tests, regulatory defined metrics, as well as liquidity positions, balance sheet variances and funding activities; and
- Approving or escalating for review new or updated liquidity stress assumptions.

Internal stress testing

The Firm conducts internal liquidity stress testing to monitor liquidity positions at the Firm and its material legal entities under a variety of adverse scenarios, including scenarios analyzed as part of the Firm's resolution and recovery planning. Internal stress tests are produced on a daily basis, and other stress tests are performed in response to specific market events or concerns. Liquidity stress tests assume all of the Firm's contractual financial obligations are met and take into consideration:

- Varying levels of access to unsecured and secured funding markets;
- Estimated non-contractual and contingent cash outflows;
- Credit rating downgrades;
- Collateral haircuts; and
- Potential impediments to the availability and transferability of liquidity between jurisdictions and material legal entities such as regulatory, legal or other restrictions.

Liquidity outflows are modeled across a range of time horizons and currency dimensions and contemplate both market and idiosyncratic stresses.

Governance

Committees responsible for liquidity governance include the Firmwide Asset Liability Committee ("ALCO") as well as regional ALCOs, the Treasurer Committee, and the CIO, Treasury and Corporate Risk Committee. In addition, the Board Risk Committee reviews and recommends to the Board of Directors, for approval, the Firm's liquidity risk tolerances, liquidity strategy, and liquidity policy. Refer to Firmwide Risk Management on pages 91–95 of the 2024 Form 10-K for further discussion of ALCO and other risk-related committees.