

## JPMorgan Chase Bank, N.A., London Branch – TCFD Entity Report

### Introduction

JPMorgan Chase Bank, N.A., London Branch (“JPMorgan Chase, London”) provides financial services for clients around the world. This report covers JPMorgan Chase, London’s Agency Security Finance business (“ASF”, “we”, “our” or “us”) which is required to report pursuant to ESG 2.1.1 (1) R of the Financial Conduct Authority’s (“FCA”) Environmental, Social and Governance Sourcebook (the “ESG Sourcebook”). The ESG Sourcebook requires firms that carry out asset and portfolio management business to produce a report along the lines specified by the Task Force on Climate-Related Financial Disclosures (a “TCFD Entity Report”).

ASF, which forms part of JPMorgan Chase, London’s Securities Services division, offers full-service agency securities financing for securities held in custody at JPMorgan Chase, London (or certain other affiliated entities) or on a non-custody/third-party basis.

For ASF, JPMorgan Chase, London is appointed by its clients to act as an agent lender to lend securities into the market to borrowers in exchange for collateral. One service offered as part of ASF, is the reinvestment of cash collateral (generated from the lending of securities) in certain types of investments, which is portfolio management, under the ASF’s cash collateral management service (“Portfolio Management Activities”).

As outlined in the JPMorgan Chase & Co (the “Firm”) [2023 Climate Report](#) (the “Firmwide Climate Report”), JPMorgan Chase, London helps its clients navigate the challenges and realise the economic opportunities of the transition to a low carbon economy. These efforts are guided by the three pillars of our environmental sustainability strategy – scaling green solutions, balancing environmental, social and economic needs and minimising our operational impact.

As part of the global J.P. Morgan group, ASF supports and is part of the Firm’s strategies in relation to the management of client assets, including with respect to climate risks and opportunities.

The information in this report covers the reporting period 1 January 2023 to 31 December 2023.

### Scope

The ESG Sourcebook only requires the preparation of a TCFD Entity Report to cover assets managed or administered by a firm in relation to specific business set out at ESG 1A.1.1 R of the ESG Sourcebook. Accordingly, this report sets out information specific to JPMorgan Chase, London’s requirements under the ESG Sourcebook based on ASF’s Portfolio Management Activities (as such activities amount to more than £5 billion when calculated as a 3-year rolling average on an annual basis).

The relevant assets for these purposes are limited to holdings in respect of which ASF conducts Portfolio Management Activities.

## Compliance Statement

We confirm that the disclosures in this report complies with the requirements of Chapter 2 of the ESG Sourcebook.

Signature:

A handwritten signature in black ink, appearing to read 'Diane MacFarlane', written over a horizontal line.

Name:

Position: Diane MacFarlane  
Managing Director

JPMorgan Chase Bank, N.A., London Branch

## **Governance**

### **London Branch Oversight Committee**

Oversight and escalation of climate-related risks and opportunities relating to ASF follows the framework adopted by the Firm globally. For further details, please refer to the “Governance – Board Oversight” section of the Firmwide Climate Report and the other sources referenced in the “TCFD Index” of the Firmwide Climate Report in relation to Board Oversight.

Senior management has oversight of ASF and will escalate to the London Branch Oversight Committee which was provided with information of the governance process and program in place for environmental, social and governance matters including TCFD reporting. The London Branch Oversight Committee also considered a report on an annual basis on ESG strategy during the reporting period.

### **Senior Management**

Management accountability of climate-related matters follows the framework adopted by the Firm globally. For details, please refer to the “Governance – Senior Management” section of the Firmwide Climate Report and the other sources referenced in the “TCFD Index” of the Firmwide Climate Report in relation to Senior Management.

## **Strategy**

Climate related considerations are important to JPMorgan Chase, London including ASF, its clients and stakeholders.

In identifying and assessing the impact of climate-related risks and opportunities, ASF follows the Firm’s global strategy and firmwide risk management framework.

For further details on the Firm’s strategic approach, please refer to the “Strategy” section of the Firmwide Climate Report and the other sources referenced in the “TCFD Index” of the Firmwide Climate Report in relation to Strategy.

ASF considers applicable regulatory and legislative requirements as part of its decision-making and the process by which it delegates functions, selects delegates and relies on third-party services, strategies or products. While ASF’s decision-making process is not impacted by climate-related risks currently, we are committed to integrating climate-related risks and opportunities within ASF where appropriate.

## **Risk Management**

ASF’s Risk Management framework follows the global framework adopted by the Firm. For details on the climate risk management process, please refer to the “Risk Management” section of the Firmwide Climate Report and the other sources referenced in the “TCFD Index” of the Firmwide Climate Report in relation to Risk Management.

An EMEA Legal Entity Climate Risk team has been established within the EMEA Chief Risk Office team to co-ordinate climate risk related deliverables for EMEA legal entities, including JPMorgan Chase, London. The EMEA Legal Entity Climate Risk team partners with the J.P. Morgan firmwide Climate Risk Management function and other functions across the Firm to respond to regulatory requests and embed climate risk in the risk management framework for JPMorgan Chase, London and to align with the Firmwide climate risk framework.

In line with the global framework adopted by the Firm, no significant climate related risks have been identified for ASF’s Portfolio Management Activities. The financial impact of climate risk

as a driver of risk types is assessed as minimal, and climate scenario analysis is conducted only for the physical impact on ASF's operational locations. This may change as ASF's business activities evolve in the future.

## **Metrics and Targets**

As part of our commitment to disclosing greenhouse gas emissions and carbon data, ASF follows the approach towards climate metrics and targets adopted by the Firm at group level. For details, please refer to the "Metrics and Targets" section of the Firmwide Climate Report and the other sources referenced in the "TCFD Index" of the Firmwide Climate Report in relation to metrics and targets.

ASF, in respect of its Portfolio Management Activities, does not offer products and services with climate adaptation or mitigation objectives or characteristics. Given the nature of this business, information about climate related opportunities and their potential impact on ASF, its resilience to climate related risks and the identification, assessment and measurement of such risks and opportunities is not currently relevant to ASF.

## **DISCLAIMERS**

The information provided in this report reflects JPMorgan Chase, London's approach to ESG as at the date of this report and is subject to change without notice. We do not undertake to update any of such information in this report. Any references to "sustainable investing", "sustainable investments", "ESG" or similar terms in this report are intended as references to the internally defined criteria of the Firm or its businesses only, as applicable, and not to any jurisdiction-specific regulatory definition.

This report does not include all applicable terms or issues and is not intended as an offer or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction or a recommendation for any investment product or strategy. Any and all transactions (including potential transactions) presented herein are for illustration purposes only. This material does not and should not be deemed to constitute an advertisement or marketing of any of the JPMorgan Chase, London's products and/or services or an advertisement to the public.