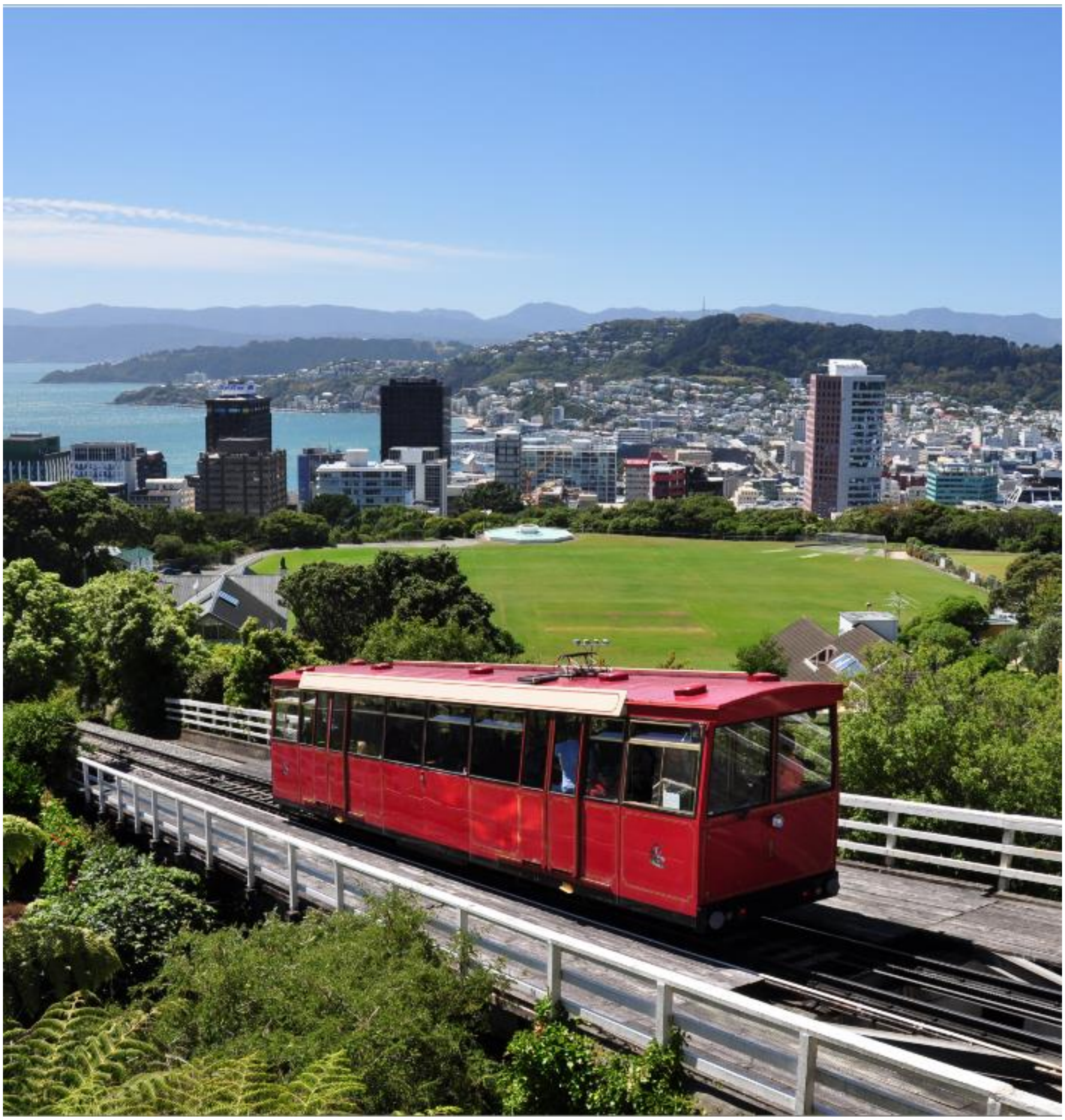
J.P.Morgan

JPMorgan Chase Bank, N.A., - New Zealand Branch and Associated JPMorgan Chase Bank, New Zealand Banking Group

Disclosure Statement

For the six months ended 30 June 2022



Disclosure Statement

For the six months ended 30 June 2022

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1. DEFINITIONS

In this Disclosure Statement, unless the context otherwise requires:

Term	Description
Registered Bank	The worldwide operations of JPMorgan Chase Bank, National Association or JPMorgan Chase Bank, N.A. This includes the Banking Group
NZ Branch	The New Zealand operations of Registered Bank conducted through its New Zealand branch
JPMCC	JPMorgan Chase & Co, the ultimate non-bank holding company of the Registered Bank
Banking Group	The consolidated New Zealand operations of the Registered Bank, and includes the business conducted through New Zealand Branch and J.P. Morgan Securities Australia Limited.
General Auditor	External and independent party appointed to conduct an assessment on internal controls and financial reporting.

Unless otherwise defined in this Disclosure Statement, terms defined in the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) ("**the Order"**) have the same meaning in this document.

2. CORPORATE INFORMATION

Registered Bank

JPMorgan Chase Bank, National Association

Address of the Registered Bank's main office

1111 Polaris Parkway
Columbus, Ohio, 43240
United States of America

Ultimate Non-Bank Holding Company

JPMorgan Chase & Co.

Ultimate Non-Bank Holding Company's Address for Service

383 Madison Avenue
New York, New York 10179
United States of America

Incorporation

The Registered Bank is a national banking association offering a wide range of banking and financial services to its customers both domestically and internationally. It is chartered by the Office of the Comptroller of the Currency (OCC), a bureau of the United States Department of the Treasury. The Registered Bank's main office is located in Columbus, Ohio.

The Registered Bank was organised in the legal form of a banking corporation under the laws of the State of New York on 26 November 1968 for an unlimited duration. On 13 November 2004 it converted from a New York State banking corporation to a national banking association. On the same date Bank One, National Association (Chicago, Illinois) and Bank One, National Association (Columbus, Ohio) merged into JPMorgan Chase Bank, N.A. with the Registered Bank being the surviving legal entity.

The Registered Bank is one of the principal, wholly-owned subsidiaries of JPMCC. The shares of common stock of JPMCC are listed on the New York Stock Exchange and form part of the Dow Jones Industrial Average index of the New York Stock Exchange.

3. FINANCIAL SUPPORT

Ranking of Local Creditors in Winding-up

NZ Branch is a branch of the Registered Bank and is not a separate legal entity. Therefore, assets and liabilities of NZ Branch are consolidated in the balance sheet of the Registered Bank.

The rights of all creditors of the Registered Bank, including those located in New Zealand, in the event of the Registered Bank's insolvency, would be governed by the U.S. Federal Deposit Insurance Act of 1950. Under U.S. federal law, the Office of the Comptroller of the Currency, as the appropriate federal banking regulator of national banks, is empowered to declare a national bank insolvent, and appoint the Federal Deposit Insurance Corporation (the "FDIC") as receiver. In this role, the FDIC is authorised to liquidate the assets of the insolvent institution and distribute the proceeds to the institution's creditors. Payment to holders of insured deposits held in the Registered Bank's U.S. Branches, administrative expenses of the receiver and secured creditors rank in priority of payment over all other unsecured creditors, including depositors in the Registered Bank's non-U.S. branches (such as NZ Branch) who would then rank *pari passu* in order of payment. The basic insurance amount is US$250,000 per U.S depositor per insured. In addition, U.S. federal law provides that national banks are not required to repay deposits at their non-U.S. branches if the relevant branch cannot pay them due to an action by the local government preventing payment or an act of war, insurrection or civil strife, unless the bank has expressly agreed in writing to repay the deposits under those circumstances.

Guarantee Arrangements

No material obligations of the New Zealand business of the Registered Bank (or the Banking Group) are guaranteed as at the date of signing the Disclosure Statement.

4. CORPORATE GOVERNANCE

Directors of the Registered Bank

Alex Gorsky joined the Board of Directors of the Registered Bank as an Independent Non-Executive Director on 19 July 2022.

The name, occupation, professional qualifications and country of residence of each Director of the Registered Bank are as follows:

Linda B Bammann - Independent Non-Executive Director
Retired Deputy Head of Risk Management of JPMorgan Chase & Co.
BA - Stanford University; MA - University of Michigan
United States of America

Stephen B Burke - Independent Non-Executive Director – Non-Executive Chairman
Chairman of NBCUniversal, LLC
BA - Colgate University; MBA - Harvard Business School
United States of America

Todd A Combs - Independent Non-Executive Director
Investment Officer at Berkshire Hathaway Inc.
BS - Florida State University; MBA - Columbia Business School
United States of America

James S Crown - Independent Non-Executive Director
Chairman and Chief Executive Officer of Henry Crown and Company
BA - Hampshire College; J.D. - Stanford University Law School
United States of America

James Dimon - Director
Chief Executive Officer and President of JPMorgan Chase Bank, National Association
Chairman and Chief Executive Officer of JPMorgan Chase & Co.
BA - Tufts University; MBA - Harvard Business School
United States of America

Directors of the Registered Bank (continued)

Timothy P Flynn - Independent Non-Executive Director
Retired Chairman and Chief Executive Officer of KPMG International and Director of United Health Group since 2017 and of Wal-Mart Stores, Inc. since 2012
BA - The University of St. Thomas
United States of America

Alex Gorsky – Independent Non-Executive Director
Retired Chairman and Chief Executive Officer of Johnson & Johnson
MBA – University of Pennsylvania Wharton School
United States of America

Mellody Hobson - Independent Non-Executive Director
Co-CEO, President and Director of Ariel Investments, LLC and Director and Vice Chair of Starbucks Corporation
BA - Princeton University
United States of America

Michael A. Neal - Independent Non-Executive Director
Retired Vice Chairman General Electric Company and Retired Chairman and Chief Executive Officer of GE Capital
BS - Georgia Institute of Technology
United States of America

Phebe Nevenka Novakovic – Independent Non-Executive Director
Chairman and Chief Executive Officer of General Dynamics since 2013
MBA – University of Pennsylvania Wharton School
United States of America

Virginia M. Rometty - Independent Non-Executive Director
Retired President and Chief Executive Officer of IBM
BS - Northwestern University
United States of America

Address to which communications addressed to the Directors may be sent

Office of the Secretary
JPMorgan Chase Bank, National Association
4 New York Plaza, Floor 8
New York, New York 10004
United States of America

Non-banking group companies of which the Directors of the Registered Bank are directors

The following Directors of the Registered Bank hold the following directorships:

- Mr. Burke is a director of Berkshire Hathaway Inc., a company incorporated in the United States of America
- Mr. Combs is a director of Berkshire Hathaway subsidiaries Charter Brokerage LLC, Duracell Inc., and Precision Castparts Corp., companies incorporated in the United States of America
- Mr. Crown is a director of General Dynamics Corporation and the Chairman and CEO of Henry Crown and Company, companies incorporated in the United States of America
- Mr. Flynn is a director of United Healthcare Incorporated, and Wal-Mart Stores, Inc., companies incorporated in the United States of America
- Ms. Hobson is a director and Vice Chair of Starbucks Corporation, a company incorporated in the United States of America

Each of the Directors of the Registered Bank also serves on the Board of Directors of JPMCC.

Non-banking group companies of which the Directors of the Registered Bank are directors (continued)

In addition, the Directors of the Registered Bank are directors of a number of companies which are either wholly-owned subsidiaries of the Registered Bank, are of a charitable or philanthropic nature, or relate to their personal superannuation or business affairs, and which are not listed in this document.

Director Related Transactions

There were no transactions between the Directors and the Registered Bank or any member of the Banking Group as at the date of this Disclosure Statement which have either been entered into on terms other than those which would in the ordinary course of business of the Registered Bank or any member of the Banking Group, be given to any other person of like circumstances or means, or which could otherwise be reasonably likely to materially influence the exercise of the Directors' duties.

Responsible Persons authorised in writing to sign this Disclosure Statement in accordance with section 82 of the Reserve Bank of New Zealand Act 1989 on behalf of each Director

The name, occupation, professional qualifications and country of residence of each Responsible Person are as follows:

Robert Bedwell
Senior Country Officer, JPMorgan Australia and New Zealand
BCom – University of Western Sydney; MCom – University of New South Wales
Australia

Warren Davis
Senior Country Business Manager, JPMorgan Australia and New Zealand Group
Australia

Kelly Mebberson (Appointed: 1 August 2022)
Senior Financial Officer, JPMorgan Australia and New Zealand
BCom – University of Auckland, New Zealand; MCom – University of Sydney; Certified Practicing Accountant
Australia

Eleen Wong (Resigned: 1 August 2022)
Senior Financial Officer, JPMorgan Australia and New Zealand
BCom – University of Western Australia; Certified Practicing Accountant
Australia

New Zealand Chief Executive Officer

The name, occupation, professional qualifications and country of residence of the New Zealand Chief Executive Officer who held office at any time during the reporting period ended 30 June 2022 are as follows:

Warren Davis
Acting New Zealand Chief Executive Officer
Senior Country Business Manager, JPMorgan Australia and New Zealand Group
Australia

Address to which communications addressed to the Responsible Persons, and the New Zealand Chief Executive Officer, may be sent

JPMorgan Chase Bank, N.A. - New Zealand Branch
PO Box 5652
Lambton Quay, Wellington 6145
New Zealand

Non-banking group companies of which the acting New Zealand Chief Executive Officer is a director

Mr Warren Davis is not a Director of any non-banking group companies.

Acting New Zealand Chief Executive Officer Related Transactions

There were no transactions between Mr Davis, as the acting New Zealand Chief Executive Officer, and the Registered Bank or any member of the Banking Group as at the date of this Disclosure Statement which have either been entered into on terms other than those which would, in the ordinary course of business of the Registered Bank or any member of the Banking Group, be given to any other person of like circumstances or means, or which could otherwise be reasonably likely to materially influence the exercise of the acting New Zealand Chief Executive Officer's duties.

Name and address of any auditor whose report is referred to in this Disclosure Statement

PricewaterhouseCoopers
One International Towers Sydney
Watermans Quay, Barangaroo
Sydney NSW 2000
Australia

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, New York 10017
United States of America

Transactions with Related Persons

JPMCC has adopted a policy entitled "Transactions with Related Persons Policy" (Policy) which sets forth JPMCC's policies and procedures for reviewing and, where appropriate, approving transactions with related persons (i.e. JPMCC's Directors, executive officers and their immediate family members, among others). The transactions covered by the Policy include any financial transaction, arrangement or relationship in which JPMCC (including the Registered Bank) is a participant, where:

- the related person has or will have a direct or indirect material interest (other than solely as a result of being a director); and
- the aggregate amount involved will or may be expected to exceed US$120,000 in any fiscal year.

After becoming aware of any transaction which may be subject to the Policy, the related person is required to report all relevant facts with respect to the transaction to the General Counsel of JPMCC.

Upon determination by the General Counsel that a transaction requires review under the Policy, the material facts of the transaction and the related person's interest in the transaction are provided to the Corporate Governance & Nominating Committee of JPMCC ("Governance Committee").

The transaction is then reviewed by the disinterested members of the Governance Committee, which determines whether approval or ratification of the transaction shall be granted. In reviewing a transaction, the committee considers facts and circumstances which it considers relevant to its determination. Material facts may include:

- management's assessment of the commercial reasonableness of the transaction;
- the materiality of the related person's direct or indirect interest in the transaction;
- whether the transaction may involve an actual or the appearance of a conflict of interest; and
- if the transaction involves a Director, the impact of the transaction on the Director's independence.

Certain types of transactions are pre-approved under the terms of the Policy. These include transactions in the ordinary course of business involving financial products and services provided by, or to, JPMCC (including the Registered Bank), such as banking, brokerage, investment and financial advisory products and services, on terms substantially similar to those extended to unaffiliated third parties not related to JPMCC, provided such transactions are permitted by the Sarbanes-Oxley Act of 2002, Federal Reserve Board Regulation O and other applicable laws and regulations.

Regulation O

Regulation O of the Federal Reserve Board of the United States of America establishes requirements for loans and other extensions of credit that the Registered Bank may make to persons affiliated with the Registered Bank. The purpose of Regulation O is to protect the soundness of financial institutions in the United States of America by preventing unwarranted extensions of credit by a financial institution to persons affiliated with the financial institution that could put the financial institution's capital at risk. Regulation O prohibits the Registered Bank from lending to its Directors and their related interests unless such extensions of credit:

- are made on substantially the same terms and conditions, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated third parties;
- are made following credit underwriting procedures that are not less stringent than for comparable transactions with unrelated third parties; and
- do not involve more than the normal risk of repayment or present other unfavourable features.

The acting New Zealand Chief Executive Officer is not subject to Regulation O.

Conflicts of Interest

The Conflicts Office of JPMCC monitors the Registered Bank's business activities to avoid or manage any conflicts of interests and related reputation risks. The Conflicts Office reviews transactions, products and activities that may pose significant risks to the Registered Bank's reputation as a result of actual or perceived conflicts of interest. Any transaction, product or activity that raises significant reputation risk for the Registered Bank as a result of actual or perceived conflicts of interest must be referred to the Conflicts Office for review and approval. JPMCC's policy entitled "Global Conflicts Policy" (and related, business-specific modifications) describes the activities subject to the Registered Bank's conflicts risk management and the requirements for reporting them.

Corporate Governance and Risk Management

The Registered Bank's board and management execute their duties with regards to meeting prudential and statutory requirements by setting in place prudent risk management policies and controls.

The risk management framework and governance structure of the Registered Bank is intended to provide comprehensive controls and ongoing management of the major risks inherent in its business activities.

Within the three lines of defense model of the Registered Bank, the lines of business own management of risks and compliance with applicable laws/rules/regulations, while independent functions (Risk, Compliance, Audit) provide oversight, guidance and effective challenge.

Audit Committee and Internal Audit

The Banking Group is audited by J.P. Morgan Internal Audit, which is an independent function that provides objective assurance guided by a philosophy of adding value to improve the operations of the organization. It assists the organization in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, and internal control processes.

The scope of Internal Auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the design of the organization's governance, risk management, and internal control processes as well as the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives.

The General Auditor reports functionally to the Audit Committee of the Board of Directors and administratively to the Chief Executive Officer. This reporting relationship is designed to ensure the ongoing independence of the Internal Audit function in order to provide for the objectivity of its findings, recommendations and opinions.

Audit Committee and Internal Audit (continued)

Internal Audit follows a comprehensive four year risk-based cycle audit plan, which is developed after risk assessments are completed at the Audit Universe Item (AUI) level ("Bottom Up" Risk Assessment). The plan is supplemented to ensure that key risks, controls, and topics obtain adequate coverage in the plan year (referred to as the "Top Down" Analysis). Depending on the nature and risk profile of the business and the related audit objectives, one or more of the following audit activity types may be leveraged:

- Audit – Examination of significant business and operational key risks and the controls established to mitigate those risks, including compliance with laws, regulations and established policies and procedures
- Change Activity (including Post-acquisition Integration Reviews) – Encompasses any event with significant impact on the control environment, including new products/businesses, new/significantly revised regulations, new accounting pronouncements, large-scale remediation programs, system development/implementation, business migrations/consolidations, business divestitures and branch/office closures. Post-acquisition integration reviews are performed upon the purchase of an entire company, the purchase of a portfolio from another business, the in-sourcing of a business process from another company, or participation in a joint venture to assess the control environment of the acquired company/process in relation to JPMC standards
- Targeted Control Review – Focused on a select group of key risks and controls to allow Internal Audit to quickly assess and communicate whether key controls are operating effectively or require remediation
- Continuous Auditing – component of audit coverage and ongoing evaluation of the Firm's businesses; provides near real-time assessments of controls through repeatable and automated tests of automated controls, and system-dependent manual controls
- Audit Issue Validation – Audit issues (audit identified issues and non-audit identified issues considered relevant to scope) are validated for appropriate remediation within 60 days and 12 months of closure for High and Medium severity issues respectively.

The Board of Directors' Audit Committee is comprised solely of four non-management Directors who are required to meet the independence and expertise requirements of all applicable laws and regulations. The purpose of the Audit Committee is to assist the Board oversight of:

- The independent registered public accounting firm's qualifications and independence;
- The performance of the JPMCC's internal audit function and the independent registered public accounting firm; and
- Management's responsibilities to assure that there is an effective system of controls reasonably designed to:
    - Safeguard the assets and income of JPMCC;
    - Assure the integrity of JPMCC's financial statements; and
    - Maintain compliance with JPMCC's ethical standards, policies, plans and procedures, and with laws and regulations.

Conditions of Registration

Changes to the Conditions of Registration

There have been the following changes to the Bank's Conditions of Registration during the six months ended 30 June 2022:

Change #	Effective Date of Change	Description of Change
1	1 January 2022	The conditions of registration were amended to add "ending on or after 31 October 2021" to condition 9 in relation to property investment residential mortgage loans. The definition for the loan-to-valuation measurement period was revised from "a) the six calendar month period ending on the last day of March 2022 and b) thereafter a period of six calendar months ending on the last day of the sixth calendar month, the first of which ends on the last day of April 2022" to "a period of six calendar months ending on the last day of the sixth calendar month." This did not result in any changes to the policy or calibration.

Conditions of Registration (continued)

The Conditions of Registration for JPMorgan Chase Bank, N.A. in New Zealand as at 30 June 2022

The registration of JPMorgan Chase Bank, N.A. ("the registered bank") in New Zealand is subject to the following conditions which came into effect on 1 January 2022:

1. *That the banking group does not conduct any non-financial activities that in aggregate are material relative to its total activities.*

   In this condition of registration, the meaning of "material" is based on generally accepted accounting practice.

2. *That the banking group's insurance business is not greater than 1% of its total consolidated assets.*

   For the purposes of this condition of registration, the banking group's insurance business is the sum of the following amounts for entities in the banking group:

   (a) if the business of an entity predominantly consists of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total consolidated assets of the group headed by the entity; and

   (b) if the entity conducts insurance business and its business does not predominantly consist of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total liabilities relating to the entity's insurance business plus the equity retained by the entity to meet the solvency or financial soundness needs of its insurance business.

   In determining the total amount of the banking group's insurance business—

   (a) all amounts must relate to on balance sheet items only, and must comply with generally accepted accounting practice; and

   (b) if products or assets of which an insurance business is comprised also contain a non-insurance component, the whole of such products or assets must be considered part of the insurance business.

   For the purposes of this condition of registration,—

   "insurance business" means the undertaking or assumption of liability as an insurer under a contract of insurance:

   "insurer" and "contract of insurance" have the same meaning as provided in sections 6 and 7 of the Insurance (Prudential Supervision) Act 2010.

3. *That the business of the registered bank in New Zealand does not constitute a predominant proportion of the total business of the registered bank.*

4. *That no appointment to the position of the New Zealand chief executive officer of the registered bank shall be made unless:*

   (a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and

   (b) the Reserve Bank has advised that it has no objection to that appointment.

5. *That JPMorgan Chase Bank, N.A. complies with the requirements imposed on it by the Office of the Comptroller of the Currency and the Federal Reserve Bank of New York.*

6. *That, with reference to the following table, each capital adequacy ratio of JPMorgan Chase Bank, N.A. must be equal to or greater than the applicable minimum requirement.*

Capital adequacy ratio	*Minimum requirement on and after 1 January 2015*
Common Equity Tier 1 capital	*4.5 percent*
Tier 1 capital	*6 percent*
Total capital	*8 percent*

The Conditions of Registration for JPMorgan Chase Bank, N.A. in New Zealand as at 30 June 2022 (continued)

For the purposes of this condition of registration, the capital adequacy ratios—

(a) must be calculated as a percentage of the registered bank's risk weighted assets; and

(b) are otherwise as administered by the Office of the Comptroller of the Currency and the Federal Reserve Bank of New York.

7. *That liabilities of the registered bank in New Zealand, net of amounts due to related parties (including amounts due to a subsidiary or affiliate of the registered bank), do not exceed NZ$15 billion.*

8. *That retail deposits of the registered bank in New Zealand do not exceed $200 million. For the purposes of this condition retail deposits are defined as deposits by natural persons, excluding deposits with an outstanding balance which exceeds $250,000.*

9. *That, for a loan-to-valuation measurement period ending on or after 31 October 2021, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of property-investment residential mortgage loans with a loan-to-valuation ratio of more than 60%, must not exceed 5% of the total of the qualifying new mortgage lending amount in respect of property-investment residential mortgage loans arising in the loan-to-valuation measurement period.*

10. *That, for a loan-to-valuation measurement period ending on or before 31 March 2022, the total of the bank's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a loan-to-valuation ratio of more than 80%, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the loan-to-valuation measurement period.*

11. *That, for a loan-to-valuation measurement period ending on or after 30 April 2022, the total of the business of the registered bank in New Zealand's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a loan-to-valuation ratio of more than 80%, must not exceed 10% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the loan-to-valuation measurement period.*

12. *That the business of the registered bank in New Zealand must not make a residential mortgage loan unless the terms and conditions of the loan contract or the terms and conditions for an associated mortgage require that a borrower obtain the registered bank's agreement before the borrower can grant to another person a charge over the residential property used as security for the loan.*

In these conditions of registration,—

"banking group" means the New Zealand business of the registered bank and its subsidiaries as required to be reported in group financial statements for the group's New Zealand business under section 461B(2) of the Financial Markets Conduct Act 2013.

"business of the registered bank in New Zealand" means the New Zealand business of the registered bank as defined in the requirement for financial statements for New Zealand business in section 461B(1) of the Financial Markets Conduct Act 2013.

"generally accepted accounting practice" has the same meaning as in section 8 of the Financial Reporting Act 2013.

"liabilities of the registered bank in New Zealand" means the liabilities that the registered bank would be required to report in financial statements for its New Zealand business if section 461B(1) of the Financial Markets Conduct Act 2013 applied.

In conditions of registration 9 to 12,—

"loan-to-valuation ratio", "non property-investment residential mortgage loan", "property-investment residential mortgage loan", "qualifying new mortgage lending amount in respect of property-investment residential mortgage loans", "qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans", and "residential mortgage loan" have the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on

High-LVR Residential Mortgage Lending" (BS19) dated October 2021, and where the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents referred to in BS19 for the purpose of defining these terms are –

BPR document	Version date
BPR131: Standardised credit risk RWAs	1 October 2021
BPR001: Glossary	1 July 2021

"loan-to-valuation measurement period" means a period of six calendar months ending on the last day of the sixth calendar month.

5. PENDING PROCEEDINGS OR ARBITRATION

There are no pending proceedings or arbitration of which we are aware that may have a material adverse effect on the Banking Group, nor, to the extent publicly available, that may have a material adverse effect on the Registered Bank.

6. CURRENT CREDIT RATING OF THE REGISTERED BANK

The Registered Bank has the following general credit ratings applicable to long term senior unsecured obligations payable in any country or currency and applicable in New Zealand, in New Zealand dollars:

	Current Rating	*Previous Credit Rating (if changed in the previous two years)*	*Outlook*
Moody's Investor Services, Inc	Aa2	-	Stable
Standard & Poor's Corporation	A+	-	Positive
Fitch IBCA, Inc	AA	-	Stable

Legend to Rating Scales

Long Term Debt Ratings	*Moody's (a)*	*S&P (b)*	*FITCH (b)*
Highest quality/Extremely strong capacity to pay interest and principal	Aaa	AAA	AAA
High quality/Very strong	Aa	AA	AA
Upper medium grade/Strong	A	A	A
Medium grade (lowest investment grade)/Adequate	Baa	BBB	BBB
Predominately speculative/Less near term vulnerability to default	Ba	BB	BB
Speculative, low grade/Greater vulnerability	B	B	B
Poor to default/Identifiable vulnerability	Caa	CCC	CCC
Highest speculations	Ca	CC	CC
Lowest quality, no interest	C	C	C
Payment in default, in arrears – questionable value		D	D

(a) Moody's applies numeric modifiers to each generic ratings category from Aa to B, indicating that the counterparty is:
- (1) in the higher end of its letter rating category
- (2) in mid-range
- (3) in lower end

(b) S&P and Fitch apply plus (+) or minus (-) signs to ratings from AA to CCC, to indicate relative standing within the major rating categories.

7. INSURANCE BUSINESS AND NON-CONSOLIDATED ACTIVITIES

The Banking Group does not conduct any insurance business.

The Registered Bank does not conduct in New Zealand, outside of the Banking Group, any insurance business or non-financial activities.

8. MORTGAGE BUSINESS

The Banking Group does not provide mortgage loans in New Zealand.

9. OTHER MATERIAL MATTERS

There are no other matters relating to the business or affairs of the Registered Bank and the Banking Group which are not contained elsewhere in this Disclosure Statement which, if disclosed, would materially adversely affect the decision of a person to subscribe for debt securities of which the Registered Bank or any member of the Banking Group is the issuer.

10. FINANCIAL STATEMENTS OF THE REGISTERED BANK AND BANKING GROUP

Any person, upon request and without charge, may obtain a copy of the Banking Group's most recent Disclosure Statement, which contains a copy of the most recent publicly available (un-audited) consolidated financial statements of the Registered Bank ("Call Report") for the period ended 30 June 2022 and the Registered Bank's audited financial statements for the fiscal year ended 31 December 2021 ("2021 Financials") by requesting a copy from jpm_rbnz_finance_aus@jpmorgan.com. The most recent Call Report is also available online at http://www.jpmorgan.com/pages/international/newzealand.

The Call Report is prepared in accordance with the regulatory instructions issued by the Federal Financial Institutions Examination Council ("FFIEC"), as compared to the 2021 Financials which is prepared in accordance with U.S. GAAP. In 1997, the FFIEC adopted U.S. GAAP as the reporting basis for the consolidated balance sheet, income statement and related schedules included in the Call Report. Despite the adoption of U.S. GAAP as the reporting basis for the Call Report, the presentation of financial statements in the Call Report differs significantly from the presentation of financial statements included in the 2021 Financials, the Call Report generally contains less disclosure than audited financial statements prepared in accordance with U.S. GAAP.

11. STATEMENT BY THE DIRECTORS AND ACTING NEW ZEALAND CHIEF EXECUTIVE OFFICER

Each Director, and the acting New Zealand Chief Executive Officer, after due enquiry, believes that:

- This Disclosure Statement contains all the information that is required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) as at the date on which this Disclosure Statement is signed;
- The Registered Bank has complied in all material aspects with each condition of registration that applied during the half year accounting period;
- NZ Branch had systems in place to monitor and control adequately the material risks of the Registered Bank's Banking Group, including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk and other business risks, and that those systems were being properly applied during the half year accounting period; and
- This Disclosure Statement is not false or misleading as at the date on which this Disclosure Statement is signed.

The current directors of the Registered Bank are Linda B Bammann, Stephen B Burke, Todd A Combs, James S Crown, James Dimon, Timothy P Flynn, Alex Gorsky, Mellody Hobson, Michael A Neal, Phebe Nevenka Novakovic, and Virginia M. Rometty.

The Disclosure Statement is signed by Ms Mebberson as a Responsible Person on behalf of each of the Directors, and Mr Davis, as acting New Zealand Chief Executive Officer.

Kelly Mebberson	25 August 2022 Date
Warren Davis	25 August 2022 Date

Signed on behalf of the Directors of JPMorgan Chase Bank, National Association.

Disclosure Statement

FOR THE SIX MONTHS ENDED 30 JUNE 2022

Contents

STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Note	Banking Group ($'000)		
		Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
Interest income				
Calculated using the effective interest rate method		3,383	239	847
Being from instruments held at fair value		17,773	14,006	26,887
Total Interest income	**1**	**21,156**	**14,245**	**27,734**
Interest expense		(9,401)	(2,467)	(7,022)
Net interest income		**11,755**	**11,778**	**20,712**
Other operating income/(loss)	**2**	(4,720)	(1,177)	(4,598)
Total operating income		**7,035**	**10,601**	**16,114**
Credit impairment losses		(342)	-	(1,805)
Operating expenses	**3**	(6,048)	(6,806)	(12,859)
Net profit/(loss) before taxation		**645**	**3,795**	**1,450**
Income tax (expense)/benefit	**4**	(198)	(1,142)	(548)
Net profit/(loss) after taxation		**447**	**2,653**	**902**
Other comprehensive income, net of tax	**6**	(16)	6	7
Total comprehensive income for the period		**431**	**2,659**	**909**

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Note	Banking Group ($'000)				
		Share Capital	Other Reserves	Foreign Currency Translation Reserve	Retained Earnings	Total Equity
30 June 2021						
Equity as at 1 January 2021 (audited)		**-**	**-**	**-**	**-**	**-**
Net profit/(loss) after taxation		-	-	-	2,653	2,653
Movement during the period	**6**	-	-	6	-	6
Total comprehensive income for the period		**-**	**-**	**6**	**2,653**	**2,659**
(Repatriation)/reimbursement (to)/from head office		-	-	(6)	(2,653)	(2,659)
Equity as at 30 June 2021 (unaudited)	**5**	**-**	**-**	**-**	**-**	**-**
31 December 2021						
Equity as at 1 January 2021 (audited)		**-**	**-**	**-**	**-**	-
Net profit/(loss) after taxation		-	-	-	902	902
Movement during the period	**6**	-	-	7	-	7
Total comprehensive income for the year		**-**	**-**	**7**	**902**	**909**
(Repatriation)/reimbursement (to)/from head office		-	-	(7)	(902)	(909)
Equity as at 31 December 2021 (audited)	**5**	**-**	**-**	**-**	**-**	**-**
30 June 2022						
Equity as at 1 January 2022 (audited)		**-**	**-**	**-**	**-**	-
Net profit/(loss) after taxation		-	-	-	447	447
Movements during the period	**6**	-	-	(16)	-	(16)
Total comprehensive income for the period		**-**	**-**	**(16)**	**447**	**431**
(Repatriation)/reimbursement (to)/from head office		-	-	16	(447)	(431)
Equity as at 30 June 2022 (unaudited)	**5**	-	-	-	-	-

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	Banking Group ($'000)		
		Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
ASSETS				
Current Assets				
Cash and cash equivalents	7	420,138	350,821	981,428
Margin and other receivables	8	13,276	20,098	11,772
Financial assets at fair value through profit or loss	9	1,406,299	1,408,906	1,564,892
Financial assets at amortised cost	10	94,678	1,023	15,135
Income tax asset		795	-	-
		1,935,186	**1,780,848**	**2,573,227**
Non Current Assets				
Right-of-use asset	11	460	109	49
Property, plant & equipment		69	72	64
Intangible assets	12	-	-	-
Income tax asset		1,184	733	1,259
Deferred tax assets		943	25	943
		2,656	**939**	**2,315**
		1,937,842	**1,781,787**	**2,575,542**
LIABILITIES				
Current Liabilities				
Deposits – short term	13	518,169	354,422	987,419
Financial liabilities at fair value through profit or loss	14	1,289,331	1,394,381	1,479,622
Derivative liabilities		63	-	-
Margin and other payables	15	129,848	28,046	107,945
Lease liabilities	11	150	123	49
Provision for taxation		-	4,765	507
		1,937,561	**1,781,737**	**2,575,542**
Non Current Liabilities				
Lease liabilities	11	281	**50**	-
		281	**50**	**-**
		1,937,842	**1,781,787**	**2,575,542**
Net Assets		**-**	**-**	**-**
EQUITY				
Attributable to the shareholders of the Banking Group		-	-	-
Total Equity	5	**-**	**-**	**-**

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2022

		Banking Group ($'000)		
		Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Fees, commissions and other income received		6,191	7,913	18,734
Payments to suppliers and employees		(15,236)	(2,965)	67,647
Receipts from/(payments to) related parties		(405,935)	(194,042)	546,328
Net movement in margin balances		(2,512)	(2,569)	9,743
Net proceed from disposal/(purchase) of financial instruments		(45,313)	(8,844)	(95,116)
Net (increase)/decrease in loans		(79,543)	2,030	(12,082)
Increase/(decrease) in deposits		(31,765)	122,238	69,259
Tax paid		1,081	(2,599)	(1,075)
Interest received		14,893	13,333	25,314
Interest paid		(2,429)	(2,064)	(5,571)
Net cash inflow/(outflow) from operating activities	**18**	**(560,568)**	**(67,569)**	**623,181**
CASH FLOWS FROM INVESTING ACTIVITIES				
Plant and equipment		(5)	3	12
Net cash inflow/(outflow) from investing activities		**(5)**	**3**	**12**
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments for leases		(75)	(75)	(155)
Repatriation of profit		77	(314)	(539)
Net cash inflow/(outflow) from financing activities		**2**	**(389)**	**(694)**
Net increase/(decrease) in cash		**(560,570)**	**(67,955)**	**622,499**
Opening cash and cash equivalents		**981,428**	**418,909**	**418,909**
Effect of changes in foreign exchange rates on cash balances		(719)	(133)	(59,980)
Closing cash and cash equivalents	**7**	**420,138**	**350,821**	**981,428**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A. Statutory Base

These financial statements have been prepared and presented in accordance with the requirements of the Financial Reporting Act 2013, the Financial Markets Conduct Act 2013 (the Act), the Companies Act 1993, the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order, 2014 (as amended), the Reserve Bank of New Zealand Act 1989, applicable New Zealand equivalents to International Financial Reporting Standard 34 *Interim Financial Reporting* (NZ-IFRS) and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The financial report, comprising the financial statements and accompanying notes of the Banking Group (as defined on page 1) comply with International Financial Reporting Standards.

These financial statements are for the Banking Group and are authorised by the Directors for issue on 25 August 2022. The Registered Bank has the power to amend and re-issue the financial report.

B. Measurement Base

The financial statements are based on the general principles of historical cost, as modified by the valuation of certain assets which are recorded at their fair values. The going concern concept and the accruals concept of accounting have been adopted. All amounts are expressed in New Zealand dollars and all references to "$" are to New Zealand dollars unless otherwise stated. The amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

C. Basis of Aggregation and Preparation

The financial statements of NZ Branch and the New Zealand branch operations of J.P. Morgan Securities Australia Limited have been aggregated to form the Banking Group.

All transactions and balances between entities within the Banking Group have been eliminated.

D. Comparatives

Where necessary, comparatives have been reclassified to conform with changes in presentation in the current reporting period. Where restatements are material, the nature of and the reason for the restatement are disclosed in the relevant note.

E. Critical Accounting Estimates and Judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Banking Group's accounting policies. Estimates and judgements are determined using historical knowledge and other factors, including a reasonable expectation of future events. Estimates, where applied, are subject to continuing evaluation for appropriateness. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are detailed below.

- **Fair Value**

  Where an active market exists for a financial instrument, fair values are determined by reference to the quoted prices/yields at balance date, such instruments are classified as level 1. However, for certain financial instruments where no active market exists, judgement is used to select the valuation technique which best estimates its fair value.

  The fair value of financial instruments held by the Banking Group at balance date, where valuation techniques or models have been applied, are classified within level 2 of the fair value hierarchy table, as inputs to the techniques and models are market observable. Refer to the fair value hierarchy table in Note 29 (Fair Value Measurement).

  Loans at fair value through other comprehensive income are classified within level 3 as there are no observable market data.

  There are no other judgements that management has made in the process of applying the Banking Group's accounting policies that have a significant effect on the amounts recognised in the financial statements, nor any key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Critical Accounting Estimates and Judgements (continued)

- **Measurement of the expected credit loss allowance**

  An expected credit loss allowance (“ECL”) is required for financial assets measured at amortised cost and fair value through other comprehensive income as well as lending-related commitments such as loan commitments and financial guarantees. The measurement of ECL requires the use of complex models and significant assumptions about future economic conditions and credit behaviours.

  A number of significant judgements are also required in measuring ECL, such as:

  - Determining the criteria for identifying when financial instruments have experienced a significant increase in credit risk;
  - Choosing appropriate forecasts and assumptions for the measurement of ECL;
  - Establishing the number and relative weightings of forward-looking scenarios for each type financial instrument/market and the associated ECL; and
  - Establishing groups of similar financial assets for the purposes of measuring ECL.

F. Significant Accounting Policies

There have been no changes in accounting policies or methods of computation in the preparation of the financial statements for the six months ended 30 June 2022 since the most recent annual financial statements for the year ended 31 December 2021.

G. Comparative Numbers

Certain prior year comparatives have been restated to conform with current year presentation, please refer to Notes 8, 11 and 15.

H. Net Current Assets

Net current assets as at 30 June 2022 of $-2,375 (30 June 2021: $-889) is primarily due to timing of receipts of taxes, fixed assets and lease obligations. This is not indicative of any liquidity concerns as the NZ Banking Group is financially supported by the Registered Bank.

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 1 – INTEREST INCOME			
Financial assets at amortised cost			
Cash and cash equivalents	1,915	111	360
Loans and advances	1,468	128	487
Financial assets at fair value through profit or loss	17,773	14,006	26,887
Total interest income	**21,156**	**14,245**	**27,734**

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 2 – OTHER OPERATING INCOME/(LOSS)			
Fee and commissions income	9,116	10,668	22,198
Trading (loss)/income	(13,678)	(11,849)	(27,376)
Other (loss)/income	(158)	4	580
Total other operating (loss)/income	**(4,720)**	**(1,177)**	**(4,598)**

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 3 – OPERATING EXPENSES			
Administration expenses	3,997	4,867	10,134
Fee and commissions expenses*	668	680	271
Employee expenses	603	715	1,165
Occupancy expenses	62	42	102
Depreciation & amortisation	76	64	129
Professional services expenses	12	(1)	72
Technology & communications expenses	1	1	3
Other expenses	629	438	983
Total operating expenses	**6,048**	**6,806**	**12,859**

The 31 December 2021 fees and commissions expenses includes a rebate from the Reserve Bank of New Zealand, as a NZClear Participant.

NOTE 4 – INCOME TAX EXPENSE/(BENEFIT)

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	**Unaudited 6 months 30/06/2021**	**Audited 12 months 31/12/2021**
(a) The components of tax expense/ (benefit) comprise:			
Current tax	198	1,142	1,047
Deferred tax	-	-	(499)
	198	**1,142**	**548**
(b) The prima facie tax on operating surplus before tax is reconciled to the income tax expense/ (benefit) as follows			
Operating surplus/(deficit) before tax	645	3,795	1,450
Income tax expense/(benefit) - prima facie at the Australian rate of 30% and New Zealand rate of 28%	155	1,142	467
Under/(Over) provision in prior years	139	-	-
Tax effect of non deductible expense	(96)	-	81
Total income tax expense	**198**	**1,142**	**548**

NOTE 5 – EQUITY

Profits of the Banking Group are repatriated to the Head Office on a monthly basis. Similarly, any losses are reimbursed by Head Office on a monthly basis.

NOTE 6 – OTHER COMPREHENSIVE INCOME

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	**Unaudited 6 months 30/06/2021**	**Audited 12 months 31/12/2021**
Opening balance	-	-	-
FVOCI additions	-	-	-
FVOCI reversals on loan repayment	-	-	-
Foreign currency translation reserve movement	(16)	6	7
Movement during the period	**(16)**	**6**	**7**
(Repatriation)/reimbursement (to)/from head office	16	(6)	(7)
Closing balance	**-**	**-**	**-**

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 7 – CASH AND CASH EQUIVALENTS			
Due from central and other banks			
New Zealand - short term deposit	280,000	250,000	525,000
New Zealand - at call	98,029	66,803	116,772
Overseas - at call	42,109	34,018	339,656
Total due from central and other banks	420,138	350,821	981,428
Total cash and cash equivalents	**420,138**	**350,821**	**981,428**

7 (a) Reconciliation of Cash

Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

Cash and cash equivalents	420,138	350,821	981,428
	420,138	**350,821**	**981,428**

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 8 – MARGIN AND OTHER RECEIVABLES			
Margin receivable	8,873	15,790	8,946
Interest receivable	342	19	112
Amounts due from related parties	1,041	398	-
Fee income receivable	3,020	3,891	2,709
Other receivable	-	-	5
Total margin and other receivables	**13,276**	**20,098**	**11,772**

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 9 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Government bonds, notes and securities	479,522	535,379	462,368
Cash collateral pledged on reverse repurchase agreements	926,777	873,527	1,102,524
Total financial assets at fair value through profit or loss	**1,406,299**	**1,408,906**	**1,564,892**

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 10 – FINANCIAL ASSETS AT AMORTISED COST			
Loans and advances	96,825	1,023	16,940
Expected credit loss allowance	(2,147)	-	(1,805)
Total financial assets at amortised cost	**94,678**	**1,023**	**15,135**

NOTE 11 – LEASES

Amounts recognised in the Statement of Financial Position

The Statement of Financial Positions shows the following amounts relating to leases as at 30 June 2022:

Right-of-use assets

Properties $460,000 (30 June 2021: $109,000)

Lease liabilities

Current $150,000 and Non-current $281,000 (30 June 2021: Current $123,000, Non-current $50,000)

Amounts recognised in the Statement of Comprehensive Income

The Statement of Comprehensive Income shows the following amounts relating to leases for the six months ended 30 June 2022:

Amortization charge of right-of-use assets

Properties $76,000 (30 June 2021: $64,000)

Interest Expense on Lease Liability

Leases $18,000 (30 June 2021: $2,000)

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
NOTE 12 – INTANGIBLE ASSETS			
Goodwill	-	-	-
Intangible assets – Custody clearing services software	289	289	289
Intangible assets – Customer contracts/relationships	377	377	377
Accumulated amortisation of intangible assets	(666)	(666)	(666)
Net Intangibles	**-**	**-**	**-**

Goodwill and intangible assets were acquired as part of the purchase of ANZ New Zealand custody business on 18 December 2009. A determination was made that the Registered Bank would cease to support third party direct custody clients in New Zealand (these clients are typically offshore banks and broker-dealers who seek a sub-custodian for safekeeping and settlement on New Zealand securities). Third party direct custody clients in New Zealand will need to appoint new agent banks to provide sub-custodial services in the New Zealand market. There is no impact to clients who contract with the NZ Branch as a global custodian and the Registered Bank remains committed to this business. The NZ Branch will continue to act as the sub-custodian entity in New Zealand for global custody business only. Following this decision, the carrying value of the goodwill on the balance sheet of the Banking Group has been assessed as impaired.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 JUNE 2022

NOTE 13 – DEPOSITS – SHORT-TERM

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
Deposits	518,169	354,422	987,419
Total Deposits – short term	**518,169**	**354,422**	**987,419**

Retail deposits of the Registered Bank in New Zealand for the period were Nil (2021: Nil).

NOTE 14 – FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
Trading securities	75,589	191,534	95,755
Cash collateral received on repurchase agreements	1,213,742	1,202,847	1,383,867
Total financial liabilities at fair value through profit or loss	**1,289,331**	**1,394,381**	**1,479,622**

NOTE 15 – MARGIN AND OTHER PAYABLES

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
Margin payable	6,837	3,955	9,423
Interest payable	486	25	197
Accrued expenses	2,913	3,267	16,502
Amounts due to related parties	119,514	20,784	81,693
Other payable	98	15	130
Total margin and other payables	**129,848**	**28,046**	**107,945**

NOTE 16 – RELATED PARTY TRANSACTIONS

During the year, there have been dealings between members of the Banking Group, and dealings with other subsidiaries of the Registered Bank. Dealings include activities such as funding, accepting deposits, payment of fees on behalf of the Banking Group, income attribution received from overseas desks for the sale of credits and rates products, and transactions between J.P. Morgan Australia Group Pty Limited, the head entity in the Australian tax consolidated group, and the Australian incorporated company within the Banking Group under various tax sharing agreements. These transactions were made on terms equivalent to those that prevail in arm's length transactions. No related party debts have been written off, forgiven or provided for during the year.
All of the Banking Group companies are ultimately owned by the Registered Bank.

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
Total due from related parties	919,239	542,481	1,222,422
Total due to related parties	1,519,805	874,056	1,652,193

NOTE 17 – TOTAL LIABILITIES OF THE REGISTERED BANK, NET OF AMOUNTS DUE TO RELATED PARTIES

	NZ Branch ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Audited 12 months 31/12/2021
Total liabilities net of amounts due to related parties	**289,652**	**256,533**	**322,394**

NOTE 18 – RECONCILIATION OF NET SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Unaudited 12 months 31/12/2021
Net profit/(loss) for the period	**447**	**2,653**	**902**
Movement in Head Office Repatriation included in net surplus	(508)	(2,348)	(370)
Depreciation and amortisation	76	67	137
Interest expense on leases	18	2	-
Changes in operating assets and liabilities:			
Movement in financial instruments	(31,635)	3,005	(67,740)
Movement in fee income receivable	(311)	399	1,171
Movement in accrued interest receivable	(230)	79	(14)
Movement in amounts due from related parties	(1,041)	(398)	-
Movement in margin receivables	73	61,199	68,043
Movement in other receivable	5	(388)	17
Movement in deferred tax assets	-	419	(499)
Movement in loans	(79,543)	2,030	(12,082)
Movement in deposits	(469,250)	(68,244)	564,753
Movement in tax payable	(1,227)	(685)	(5,468)
Movement in accrued interest payable	289	21	193
Movement in margin payable	(2,586)	(63,768)	(58,300)
Movement in other payables	(32)	(4)	59
Movement in accrued expenses	(13,589)	(1,231)	12,004
Movement in amounts due to related parties	37,821	(514)	60,395
Movement in foreign exchange translation balances attributable to cash and other balances	655	137	59,980
Net cash inflow/(outflow) from operating activities	**(560,568)**	**(67,569)**	**623,181**

NOTE 19 – COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2022, the Banking Group had an undrawn committed facility of Nil (30 June 2021: Nil) and a stand-by letter of credit of Nil (30 June 2021: Nil).

NOTE 20 – EVENTS AFTER THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the reporting period which significantly affected, or may significantly affect, the operations, the results of those operations, or the state of affairs of the Banking Group in future financial years.

NOTE 21 – INTEREST EARNING AND DISCOUNT BEARING ASSETS AND LIABILTIES

	Banking Group ($'000)		
	Unaudited 6 months 30/06/2022	Unaudited 6 months 30/06/2021	Unaudited 12 months 31/12/2021
Interest earning and discount bearing assets	1,921,115	1,760,750	2,561,455
Interest and discount bearing liabilities	1,807,694	1,748,997	2,467,235

NOTE 22 – CAPITAL ADEQUACY

The Federal Reserve Board establishes capital requirements for the consolidated financial holding company, JPMCC. The Office of the Comptroller of the Currency ("OCC") establishes similar requirements for the Registered Bank.

Under the risk-based capital guidelines of the OCC, the Registered Bank is required to maintain minimum ratios of CET1, Tier 1 and Total capital to risk-weighted assets ("RWA"). The Registered Bank is required to calculate its capital adequacy under both of the Basel III approaches (Standardized and Advanced) as required by the Collins Amendment of the Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"). The Registered Bank's capital adequacy is evaluated against the lower of the two ratios. Failure to meet these minimum requirements could cause the OCC to take action. The Registered Bank is required to maintain minimum ratios for CET1 of 4.5%, Tier 1 Capital of 6% and Total Capital of 8% as at 30 June 2022. A capital conservation buffer of 2.5% applies in addition to these ratios.

The ratios given below for the Registered Bank are for the consolidated group, including the Registered Bank and its subsidiary and associated companies. The capital ratios for the Registered Bank on an unconsolidated basis are not publicly available.

Capital Adequacy Ratios	Basel III Advanced Transitional Registered Bank 30/06/2022 Unaudited	Basel III Standardised Registered Bank 30/06/2022 Unaudited	Basel III Advanced Transitional Registered Bank 30/06/2021 Unaudited	Basel III Standardised Registered Bank 30/06/2021 Unaudited
Common Equity Tier 1 Capital	18.0%	16.1%	18.4%	16.5%
Tier 1 Capital	18.0%	16.1%	18.4%	16.5%
Total Capital	18.4%	17.2%	18.8%	17.7%

As at the reporting date, the Registered Bank was well-capitalised and met all capital requirements to which it was subject.

The most recent publicly available Call Report of the Banking Group and the Registered Bank can be accessed online at http://www.jpmorgan.com/pages/international/newzealand.

NOTE 23 – ACTIVITIES OF THE BANKING GROUP IN NEW ZEALAND

As at 30 June 2022, no members of the Banking Group have been involved in:

(a) the origination of securitised assets or the marketing or servicing of securitisation schemes;
(b) the marketing and distribution of insurance products; and
(c) the establishment, marketing, or sponsorship of trust or funds management

Custodial Services

In February 2020, a determination was made that the Registered Bank would cease to support third party direct custody clients in New Zealand (these clients are typically offshore banks and broker-dealers who seek a sub-custodian for safekeeping and settlement on New Zealand securities). Third party direct custody clients in New Zealand will need to appoint new agent banks to provide sub-custodial services in the New Zealand market. There is no impact to clients who contract with the NZ Branch as a global custodian and the Registered Bank remains committed to this business. The NZ Branch will continue to act as the sub-custodian entity in New Zealand for global custody business only.

The financial statements of the Banking Group include income in respect of custodial services provided to customers by the NZ Branch. As at 30 June 2022, securities held on behalf of NZ Branch's customers were excluded from the Statement of Financial Position. The value of securities held in custody by NZ Branch was $30,730 million (June 2021: $34,229 million).

NZ Branch is subject to the typical risks incurred by custodial operations. JPMCC maintains a range of insurance policies (for its own benefit and that of subsidiaries including NZ Branch), including Banker's Blanket Bond Insurance which provides cover for it in respect of loss of money or securities (through fraud, theft or disappearance). Such Banker's Blanket Bond cover is maintained with limits of cover which vary from time to time but which are considered prudent and in accordance with international levels and insurance market capacity.

NOTE 24 – RISK MANAGEMENT

During the six months ended 30 June 2022, the Banking Group has not become exposed to a new category of risk and there have been no material changes to the Banking Group's policies for managing risks in relation to credit risk, interest rate risk, currency risk, equity risk, liquidity risk, operational risk or any other material business risk to which it is exposed.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 JUNE 2022
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NOTE 24 – RISK MANAGEMENT (continued)

Exposure to Liquidity Risk

The following table shows a composition of our funding sources that contribute to the liquidity risk position as at 30 June 2022 and are held by the Banking Group for the purposes of managing liquidity risk.

	Banking Group ($'000) Unaudited 30/06/2022							
	Total	**On Demand**	**Up to 3 months**	**Over 3 months and up to 6 months**	**Over 6 months and up to 1 year**	**Over 1 year and up to 2 years**	**Over 2 years**	**Non specified**
ASSETS								
*Cash and cash equivalents	420,138	140,138	280,000	-	-	-	-	-
*Margin and other receivables	13,276	8,873	4,403	-	-	-	-	-
*Financial assets at fair value through profit or loss	1,406,299	-	1,406,299	-	-	-	-	-
*Financial assets at amortised cost	94,678	-	94,678	-	-	-	-	-
Right-of-use asset	460	-	-	-	-	-	-	460
Property, plant & equipment	69	-	-	-	-	-	-	69
Income tax assets	1,979	-	-	-	-	1,979	-	-
Deferred tax assets	943	-	-	-	-	-	-	943
Total Assets	**1,937,842**	**149,011**	**1,785,380**	**-**	**-**	**1,979**	**-**	**1,472**
LIABILITIES								
Deposits – short term	518,169	465,924	52,245	-	-	-	-	-
Financial liabilities at fair value through profit or loss	1,289,331	-	1,289,331	-	-	-	-	-
Margin and other payables	129,848	129,848	-	-	-	-	-	-
Lease liabilities	431	-	37	38	75	152	129	-
Derivative liabilities	63	-	63	-	-	-	-	
Total Liabilities	**1,937,842**	**595,772**	**1,341,676**	**38**	**75**	**152**	**129**	**-**

* Represents the Banking Group's assets held for managing liquidity risk.

NOTE 24 – RISK MANAGEMENT (continued)

Concentration of Credit Risk

The carrying amount of the Banking Group's financial assets represents the maximum credit exposure. The concentration of credit risk is determined based on categories provided by The Reserve Bank of New Zealand for the preparation of regulatory returns. Each concentration is identified by shared characteristics, specifically industry and geographical area.

The maximum exposure to credit risk at reporting date was:

	Banking Group ($'000)
	Unaudited 30/06/2022
Credit Risk Components:	
Cash and cash equivalents	420,138
Margin and other receivables	13,276
Financial assets at fair value through profit or loss	1,406,299
Financial assets at amortised cost	94,678
	1,934,391
Credit Risk by industry	
Finance	1,412,166
Manufacturing	122
Local authorities	479,522
Other	42,581
	1,934,391
Credit Risk by geographical area	
Within New Zealand	993,914
Overseas	940,477
	1,934,391

Cash balances are held with registered banks in New Zealand rated AA- by S&P. There is no provision for doubtful debts in relation to the receivables, and there are no significant concentrations of credit risk at the end of the reporting period.

NOTE 24 – RISK MANAGEMENT (continued)

Concentration of Funding Risk

The carrying amount of the Banking Group's financial liabilities represents the maximum funding exposure. The maximum exposure to funding risk at reporting date was:

	Banking Group ($'000)
	Unaudited 30/06/2022
Funding Risk Components:	
Deposits – short term	518,169
Financial liabilities at fair value through profit or loss	1,289,331
Margin and other payables	129,848
Derivative liabilities	63
	1,937,411
Funding Risk by industry	
Finance	1,697,076
Property and business services	84,142
Electricity, gas and water	294
Manufacturing	53,973
Local authorities	20,725
Information media & telecommunications	33,546
Wholesale trade	39,995
Other	7,660
	1,937,411
Funding Risk by geographical area	
Within New Zealand	164,814
Overseas	1,772,597
	1,937,411

NOTE 24 – RISK MANAGEMENT (continued)

Interest Rate Sensitivity

The Banking Group's exposure to interest rate risk, is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the period-end interest rates on classes of financial assets and financial liabilities. The table below shows the interest rate repricing schedule for each class of financial assets and financial liabilities, contractual repricing or maturity dates, whichever dates are earlier, grouped into maturity bands.

	Banking Group ($'000) Unaudited 30/06/2022						
	Total	Up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 2 years	Over 2 years	Not interest-bearing
ASSETS							
Cash and cash equivalents	420,138	420,138	-	-	-	-	-
Margin and other receivables	13,276	-	-	-	-	-	13,276
Financial assets at fair value through profit or loss	1,406,299	1,406,299	-	-	-	-	-
Financial assets at amortised cost	94,678	94,678	-	-	-	-	-
Right-of-use asset	460	-	-	-	-	-	460
Property, plant & equipment	69	-	-	-	-	-	69
Provision for taxation	1,979	-	-	-	-	-	1,979
Deferred tax assets	943	-	-	-	-	-	943
Total Assets	**1,937,842**	**1,921,115**	**-**	**-**	**-**	**-**	**16,727**
LIABILITIES							
Deposits – short term	518,169	518,169	-	-	-	-	-
Financial liabilities at fair value through profit or loss	1,289,331	1,289,331	-	-	-	-	-
Derivative liabilities	63	-	-	-	-	-	63
Margin and other payables	129,848	-	-	-	-	-	129,848
Lease liabilities	431	37	38	75	152	129	-
Total Liabilities	**1,937,842**	**1,807,537**	**38**	**75**	**152**	**129**	**129,911**

NOTE 24 – RISK MANAGEMENT (continued)

Interbank Offered Rates (IBOR) Reform

The Interbank Offered Rates (IBORs) are interest rate benchmarks that are used in financial transactions to determine amounts payable by the parties involved in these transactions, including bonds, structured finance and derivatives. The London Interbank Offered Rate (LIBOR) is the most widely used interest rate benchmark in financial markets and has been used by the Banking Group for its financial instruments. LIBOR is calculated on submissions from selected panel banks and is published in five currencies and a range of tenors. On 5 March 2021, the FCA announced that all LIBOR settings for all tenors of EUR, CHF, JPY and GBP and one week and two month USD LIBOR settings will be ceased from 31 December 2021, with all other USD LIBOR tenors to be ceased from 30 June 2023.

Risk

The IBOR reform can potentially pose the following risks on the Banking Group:

- Operational risk: the IBOR reform will result in changes to the Banking Group's IT infrastructure, controls and reporting systems;
- Compliance risk: due to the IBOR reform their could potentially be non-compliance with newly established and amended regulatory requirements;
- Financial risk: the IBOR reform could raise risks associated with pricing due to the changes in interest rates; and
- Market risk: the IBOR reform could potentially disrupt markets, creating adverse effects on operations.

The Banking Group does not expect a change to its existing risk management frameworks and controls, due to the IBOR reform. Since 2018, the Registered Bank formed a working group, which involves Firmwide representatives across Finance, Operations, Legal, Technology and Compliance, to closely monitor the impact as a result of this reform, mitigate any associated risks and to successfully transition financial instruments from IBORs to Alternative Reference Rates (ARR), which is discussed further below.

Governance

The Registered Bank established a Firmwide LIBOR Transition program in early 2018, which is overseen by senior management. In 2021, the Registered Bank continued to work towards reducing its exposure to IBOR-referencing contracts, including derivatives, bilateral and syndicated loans, securities, and debt and preferred stock issuances, to meet the industry milestones and recommendations published by National Working Groups ("NWG"). In 2021, the Registered Bank prioritised contract remediation for those currencies and tenors of LIBOR for which publication ceased on December 31, 2021. The Registered Bank engaged with clients to arrange for the remediation of in-scope IBOR-linked contracts, and to amend contracts with clients that were prepared to do so. The Registered Bank also successfully executed the conversion to ARR's at various central counterparties ("CCPs") which took place in the end of 2021. The Registered Bank was operationally ready to support rate fallback mechanisms across all products at IBOR cessation and transitioned contracts to fallback rates upon rate cessation.

Transition

The table below shows the outstanding principal amounts of non-derivative financial instruments, and the contractual amounts of off-balance sheet exposures held by the Banking Group as at 30 June, 2022 that are subject to IBOR reform. The table includes financial instruments with a contractual maturity date later than the relevant agreed IBOR cessation date.

Banking Group NZ$'000	USD LIBOR
Financial instruments (outstanding principal amount):	
Loan commitments (off-balance sheet)*	82,971
Total financial instruments	82,971

*This loan commitment pertains to a shared facility and the Banking Group's portion has been disclosed above

Contracts whose primary purpose is not an exposure to IBOR, such as those that only have penalty terms referencing an IBOR, have been excluded as these contracts do not expose the Banking Group to material risk as a result of the reform. In addition, contracts that have been changed to incorporate the new alternative reference rates before the relevant cessation dates are excluded because no further transition work is expected to implement the reform.

NOTE 24 – RISK MANAGEMENT (continued)

Sensitivity Analysis

The tables below summarise the pre-tax sensitivity of financial assets and financial liabilities to changes in the interest rate. The carrying value of the assets and liabilities were used as the basis for the analysis and financial modelling was used to determine the impact on those values of changes in each risk scenario. The sensitivity to interest rate movements, models the impact of a 1% parallel movement, both up and down, in the yield curve on earnings.

	Banking Group ($'000) Unaudited 30/06/2022				
		Interest Rate Risk			
		-1%		+1%	
	Carrying Amount	Profit	Equity	Profit	Equity
ASSETS					
Cash and cash equivalents	420,138	(7,177)	(7,177)	7,177	7,177
Margin and other receivables	13,276	-	-	-	-
Trading securities	479,522	(18,749)	(18,749)	18,749	18,749
Cash collateral pledged on reverse repurchase agreements	926,777	(17,701)	(17,701)	17,701	17,701
Financial assets at amortised cost	94,678	(1,617)	(1,617)	1,617	1,617
Right-of-use asset	460	-	-	-	-
Property, plant & equipment	69	-	-	-	-
Provision for taxation	1,979	-	-	-	-
Deferred tax assets	943	-	-	-	-
Total Assets	**1,937,842**	**(45,244)**	**(45,244)**	**45,244**	**45,244**
LIABILITIES					
Deposits – short term	518,169	(8,852)	(8,852)	8,852	8,852
Trading securities	75,589	(1,466)	(1,466)	1,466	1,466
Cash collateral received on repurchase agreements	1,213,742	(20,391)	(20,391)	20,391	20,391
Margin and other payables	129,848	-	-	-	-
Lease liabilities	431				
Derivative liabilities	63	-	-	-	-
Total Liabilities	**1,937,842**	**(30,709)**	**(30,709)**	**30,709**	**30,709**

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE SIX MONTHS ENDED 30 JUNE 2022
SUPPLEMENTAL INFORMATION

NOTE 25 – EXPOSURE TO MARKET RISK

Set out below are details of market risk end-period notional capital charges. This has been derived using the Banking Prudential Requirements BPR140: Market Risk, which is in accordance with Schedule 9 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended). Market risk exposures have been derived using the Banking Prudential Requirements BPR140: Market Risk.

	Banking Group ($'000)	
	Unaudited	
	Implied risk weighted exposure	Notional capital charge
30 June 2022		
Market Risk End-period		
Interest rate risk	-	-
Currency risk	50,004	4,000
Equity risk	-	-
1 January 2022 - 30 June 2022		
Market Risk Peak End-of-day		
Interest rate risk	-	-
Currency risk	50,004	4,000
Equity risk	-	-

NOTE 26 – ASSET QUALITY

There are no expected material losses or diminution in asset value for Banking Group. The provision of information in relation to the following classes of assets is therefore not necessary:

- aggregate amount of any undrawn balances on lending commitments to counterparties for whom drawn balances are classified as individually impaired;
- other individually impaired assets;
- restructured assets;
- financial assets acquired through the enforcement of security;
- real estate assets acquired through the enforcement of security;
- other assets acquired through the enforcement of security; and
- other assets under administration.

The table below presents assets past due at balance date:

	Banking Group ($'000)				
	Unaudited				
	Less than 30 days past due	At least 30 days but less than 60 days past due	At least 60 days but less than 90 days past due	At least 90 days past due	Total
30 June 2022					
Past due and not impaired	359	491	-	-	850
30 June 2021					
Past due and not impaired	1,263	-	-	-	1,263

NOTE 26 – ASSET QUALITY (continued)

As at the reporting date, the Banking Group has no individually impaired assets, or any assets under administration.

	Registered Bank (consolidated)	
	Unaudited 6 months 30/06/2022 US$'000	Unaudited 6 months 30/06/2021 US$'000
Total non-accrual loans	7,615,000	9,583,000
Total loans	1,110,598,000	1,049,714,000
Total non-accrual loans expressed as a percentage of total loans	0.7%	0.9%
Total expected credit losses	17,747,000	19,492,000
Total expected credit losses expressed as a percentage of total loans	1.6%	1.9%

The following tables presents the movement in allowance for ECL in the Banking Group.

	ECL				Gross Carrying Amount			
	Stage 1 12-month ECL NZ$'000	Stage 2 Lifetime ECL NZ$'000	Stage 3 Lifetime ECL NZ$'000	Total NZ$'000	Stage 1 NZ$'000	Stage 2 NZ$'000	Stage 3 NZ$'000	Total NZ$'000
As at 1 January 2021	-	-	-	-	3,053	-	-	3,053
New loans originated or purchased	-	-	-	-	1,023	-	-	1,023
Loans derecognised or repaid	-	-	-	-	(3,053)	-	-	- 3,053
Existing loans (including credit quality changes)	-	-	-	-	-	-	-	-
Stage transfers	-	-	-	-	-	-	-	-
As at 30 June 2021	-	-	-	-	1,023	-	-	1,023
New loans originated or purchased	(1,805)	-	-	(1,805)	16,940	-	-	16,940
Loans derecognised or repaid	-	-	-	-	(1,023)	-	-	(1,023)
Existing loans (including credit quality changes)	-	-	-	-	-	-	-	-
Stage transfers	-	-	-	-	-	-	-	-
As at 31 December 2021	(1,805)	-	-	(1,805)	16,940	-	-	16,940
New loans originated or purchased	(1,903)	-	-	(1,903)	81,879	-	-	81,879
Loans derecognised or repaid	-	-	-	-	(1,994)	-	-	(1,994)
Existing loans (including credit quality changes)	1,561	-	-	1,561	-	-	-	-
Stage transfers	-	-	-	-	-	-	-	-
As at 30 June 2022	(2,147)	-	-	(2,147)	96,825	-	-	96,825

NOTE 26 – ASSET QUALITY (continued)

	Banking Group		
	Unaudited 6 months 30/06/2022 NZ$'000	Unaudited 6 months 30/06/2021 NZ$'000	Audited 12 months 31/12/2021 NZ$'000
Movements in components of loss allowance (NZ IFRS 9)*			
Stage 1			
Opening balance	(1,805)	-	-
The charge to the statement of comprehensive income for an increase in individual loss allowances	(1,903)	-	(1,805)
Amounts written off	-	-	-
Recoveries of amounts written off in previous periods	-	-	-
Reversals of previously recognised impairment losses	1,561	-	-
Other movements, and the nature of those other movements	-	-	-
Closing balance	(2,147)	-	(1,805)

*There were no Stage 2 or 3 loss allowances during the period

	Banking Group		
Impacts of changes in gross financial assets on loss allowances (NZ IFRS 9)	Unaudited 6 months 30/06/2022 NZ$'000	Unaudited 6 months 30/06/2021 NZ$'000	Audited 12 months 31/12/2021 NZ$'000
Loans and advances (Note 10)			
Pre allowance opening balance	16,940	3,053	3,053
Additions	81,879	1,023	16,467
Repayments	(1,994)	(3,053)	(2,580)
Pre allowance closing balance	96,825	1,023	16,940
Closing loss allowance	(2,147)	-	(1,805)
Total Loans and advances (Note 10)	94,678	1,023	15,135

Neither the NZ Branch or the Banking Group have any financial assets designated as fair value through profit or loss on which there have been changes in fair value that are attributable to changes in credit risk of the financial asset.

There were no individually impaired assets for the Banking Group at any point during the six months ended 30 June 2022 and the 2021 financial year.

NOTE 27 – REGISTERED BANK PROFITABILITY AND SIZE

	Registered Bank (consolidated)	
	Unaudited 12 months 30/06/2022 US$'000	Unaudited 12 months 30/06/2021 US$'000
Net profit/(loss) after taxation	14,294,000	20,413,000
Net profit/(loss) after taxation, over the previous 12 month period, as a percentage of average total assets	1.0%	1.3%
Total assets	3,380,824,000	3,190,100,000
Percentage increase/(decrease) in total assets from previous period	6.0%	15.7%

Independent auditor's review report

To the Directors of JPMorgan Chase Bank, National Association

Report on the Disclosure Statement

Our conclusions

We have reviewed pages 12 to 36 of the Disclosure Statement of JPMorgan Chase Bank, N.A., - New Zealand Branch and associated JPMorgan Chase bank, New Zealand group (the "NZ Banking Group"), which comprise the financial statements required by Clause 26 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the "Order") and the supplementary information required by Schedules 5, 7, 9, 12 and 14 of the Order. The NZ Banking Group comprises the New Zealand operations of JPMorgan Chase Bank, National Association.

The financial statements comprise the statement of financial position as at 30 June 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the six months ended on that date, and the supplementary information, comprising a statement of significant accounting policies and other explanatory information.

The supplementary information is included within the notes to the financial statements.

We have examined the financial statements and supplementary information, and based on our review, nothing has come to our attention that causes us to believe that the accompanying:

- financial statements (excluding the supplementary information) have not been prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) and New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (NZ IAS 34).
- supplementary information (excluding the supplementary information relating to credit and market risk exposures and capital adequacy) that is required to be disclosed under Schedules 5, 7, 12 and 14 of the Order, does not fairly state the matters to which it relates in accordance with those schedules; and
- supplementary information relating to credit and market risk exposures and capital adequacy that is required to be disclosed under Schedule 9 of the Order, is not, in all material respects, disclosed in accordance with Schedule 9 of the Order.

Basis for conclusions

We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity (NZ SRE 2410 (Revised)).* Our responsibilities are further described in the *Auditor's responsibilities for the review of the Disclosure Statements* section of our report.

We are independent of the NZ Banking Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual Disclosure Statement, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. Other than in our capacity as auditor we have no relationship with, or interests in, the NZ Banking Group.

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Responsibilities of the Directors for the Disclosure Statement

The Directors of the NZ Banking Group (the "Directors") are responsible on behalf of the NZ Banking Group for the preparation and fair presentation of the Disclosure Statement, which includes financial statements in accordance with Clause 26 of the Order and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In addition, the Directors are responsible, on behalf of the NZ Banking Group, for the preparation and fair presentation of supplementary information in the Disclosure Statement which complies with Schedules 3, 5, 7, 9, 12 and 14 of the Order.

Auditor's responsibilities for the review of the Disclosure Statement

Our responsibility is to express conclusions on the financial statements and supplementary information based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that:

- the financial statements (excluding the supplementary information), taken as a whole, are not prepared in all material respects, in accordance with IAS 34 and NZ IAS 34.
- the supplementary information (excluding the supplementary information relating to credit and market risk exposures and capital adequacy), taken as a whole, does not fairly state the matters to which it relates in accordance with Schedules 5, 7, 12 and 14 of the Order; and
- the supplementary information relating to credit and market risk exposures and capital adequacy, taken as a whole, is not in all material respects, disclosed in accordance with Schedule 9 of the Order.

A review in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we might identify in an audit. Accordingly, we do not express an audit opinion on these financial statements and supplementary information.

Who we report to

This report is made solely to the Directors, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors, as a body, for our review procedures, for this report, or for the conclusions we have formed.

The engagement partner on the review resulting in this independent auditor's review report is Sam Hinchliffe.

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants
25 August 2022

Sydney