Second-Party Opinion

JPMorgan Chase & Co. Social Bond

J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH

Evaluation Summary

Sustainalytics is of the opinion that the Social Bond Framework (as defined below) within the J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH offering document is credible and impactful and aligns with the four core components of the Social Bond Principles 2021. This assessment is based on the following:

USE OF PROCEEDS The eligible category for the use of proceeds, Affordable Housing, is aligned with those recognized by the Social Bond Principles, which seek to achieve positive socio-economic outcomes for target populations. Sustainalytics considers that the Issuer's financing of affordable housing assets will lead to positive social impacts and advance the UN Sustainable Development Goals, specifically SDG 11.

PROJECT EVALUATION / SELECTION Different groups within JPMorgan Chase & Co., a parent of JPMorgan Chase Bank, National Association, were responsible for evaluating the eligible properties. JPMorgan Chase & Co. has a dedicated environmental and social risk assessment and mitigation process that is applicable to all allocation decisions made under the Framework. Based on the exclusive use of proceeds to purchase an asset that refinanced pre-identified eligible properties, Sustainalytics considers this process to be aligned with market practice.

MANAGEMENT OF PROCEEDS J.P. Morgan Chase Commercial Mortgage Securities Corp., a wholly owned subsidiary of JPMorgan Chase & Co., will be responsible for immediately allocating the full bond proceeds to purchase the mortgage loan from JPMorgan Chase Bank, National Association with no flexibility to re-allocate. This is in line with market practice.

REPORTING J.P. Morgan Chase Commercial Mortgage Securities Corp. commits to publishing an upfront report for the issuance with information on the specific eligible properties refinanced through the mortgage loan, including the description of the eligible properties and the number of rent-stabilized and rent-controlled units, along with key sustainability metrics, such as the number of units affordable to tenants at different area median income thresholds. Sustainalytics views JPMorgan Chase & Co.'s allocation and impact reporting as aligned with market practice.

Evaluation date	October 14, 2021
Issuer Location	New York, US

Report Sections

For inquiries, contact the Sustainable Finance Solutions project team:

Ijeoma Madueke (Toronto)
Project Manager
ijeoma.madueke@sustainalytics.com
(+1) 647 317 3631

Hrithik Sharma (Toronto)
Project Support

Taylor Whitfield (Toronto)
Project Support

Guilherme Grunthal (Toronto)
Client Relations
susfinance.americas@sustainalytics.com
(+1) 646 518 9623

Introduction

JPMorgan Chase & Company ("JPMC" or the "Bank") is an international financial holding company headquartered in New York. J.P. Morgan Chase Commercial Mortgage Securities Corp. (the "Depositor") is a wholly owned subsidiary of J.P. Morgan Chase Bank, National Association ("JPMCB N.A.", or the "Asset Originator"), the principal banking subsidiary of JPMC.

J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH (the "Issuer"), a special purpose entity established for issuing bonds for the Bank, has developed the offering document titled "J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH" and dated October 2021, which includes language specific to social bonds (the "Social Bond Framework" or the "Framework", see excerpt in Appendix 1). As described by the Social Bond Framework, the Issuer intends to issue JPMCC 2021-NYAH, Commercial Mortgage Pass-Through Certificates, Series 2021-NYAH (the "Mortgage-based Certificates" or the "Bonds")[1] and use the proceeds to purchase a mortgage loan (the "Eligible Mortgage Asset"), which was originated by JPMCB N.A.[2] to refinance a portfolio of properties (the "Eligible Properties"), that have a majority[3] of affordable housing units. The Framework defines eligibility criteria in one area:

1. Affordable Housing

JPMC engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework's social credentials and its alignment with the Social Bond Principles 2021 (SBP).[4] The Social Bond Framework is excerpted in Appendix 1.

Scope of work and limitations of Sustainalytics' Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent[5] opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Social Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the Issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.11, which is informed by market practice and Sustainalytics expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of JPMC's management team to understand the sustainability impact of its business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the Framework. JPMC representatives have confirmed that: (1) they understand it is the sole responsibility of JPMC to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

[1] Sustainalytics notes that the Framework also includes the language related to mezzanine instruments. However, JMPC has confirmed that issuances associated with such financing instruments are outside of the scope of the J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH offering document and will be done through a separate framework or offering document.
[2] Sustainalytics notes that the Eligible Mortgage Asset was originated on June 8, 2021.
[3] "Majority" here refers to 93.4% of the units from these Eligible Properties that are classified as affordable housing units, per the criteria defined in the Framework.
[4] The Social Bond Principles are administered by the International Capital Market Association and are available at https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/
[5] When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and JPMC.

Sustainalytics' Second-Party Opinion reflects on the alignment of the Framework with market standards but provides no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realized allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that JPMC has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Social Bond Framework

Sustainalytics is of the opinion that the Social Bond Framework is credible and impactful and aligns with the four core components of the SBP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible category, Affordable Housing, is recognized as impactful by the SBP.
  - Proceeds from issuances under the Framework will be used to purchase the Eligible Mortgage Asset that was approved by the Asset Originator to refinance Eligible Properties, 93.4% of which are affordable housing units.
    - The Issuer has confirmed that all Eligible Properties are located in high-cost areas[6] across the Manhattan, Brooklyn, Queens and Bronx boroughs of New York City. In order to qualify under the Framework, units are to be considered as "affordable" to families who earn either: (i) less than 80% of the Area Median Income ("AMI"); or (ii) 80% to 120% of the AMI (the "Middle-income Group") as defined by the US Department of Housing and Urban Development where the rents charged do not exceed 30% of these AMI thresholds with appropriate adjustments for unit size.[7]
    - Social finance related to affordable housing typically focuses on income earners at 80% of the AMI or lower, however, Sustainalytics recognizes that many households from the Middle-income Group in high-cost areas have difficulty in affording market-rate units.[8]
    - The Issuer intends to ensure affordability by limiting the rents to less than 30% of the referenced threshold AMI.[9] In addition, around 86% of the units are expected to remain rent-stabilized[10] and/or rent-controlled[11] throughout the tenure of the Bonds. Sustainalytics recognizes that by capping rents to a percentage of median income, the Framework contributes to increasing access to affordable housing in New York City. However, Sustainalytics notes that a small portion (6.6%) of the refinanced units does

[6] U.S. Department of Housing And Urban Development, "Annual Revisions to Base City High-Cost Percentage, High-Cost Area and Per Unit Substantial Rehabilitation Threshold for 2020", (2020), at: https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-05hsngn.pdf
[7] U.S. Department of Housing And Urban Development, "Methodology for Calculating FY 2021 Medians", (2021) at: https://www.huduser.gov/portal/datasets/il/il21/Medians-Methodology-FY21.pdf
[8] Ford, T. and Schuetz, J., (2019), "How are communities making housing more affordable for middle-income families?", The Brookings Institution, at: https://www.brookings.edu/policy2020/votervital/how-are-communities-making-housing-more-affordable-for-middle-income-families/
[9] The Issuer has communicated that (i) it intends to ensure that the "affordability" criterion is met at least until the term of the Bond, and (ii) the criteria hold for the maximum AMI applicable to a household, from the 80-120% AMI range.
[10] City of New York, Rent Guidelines Board, "Rent Stabilization FAQ", at: https://rentguidelinesboard.cityofnewyork.us/resources/faqs/rent-stabilization/
[11] City of New York, Rent Guidelines Board, "Rent Control FAQ", at: https://rentguidelinesboard.cityofnewyork.us/resources/faqs/rent-control/

not adhere to the affordability criteria set forth in the Framework. Market expectation is that 100% of the proceeds raised under a social bond be allocated to eligible units and therefore Sustainalytics views this as a deviation from market practice.

- Project Evaluation and Selection:
  - The Eligible Properties funded through the purchase of the Eligible Mortgage Asset under the Framework were evaluated through JPMC's internal process and relied on different groups within the Bank.
  - The Depositor and the Asset Originator selected the Eligible Properties, and the Eligible Mortgage Asset based on the degree of affordability, as per the criteria set forth in the Framework.
  - JPMC has in place a Bank-level Environmental and Social ("E&S") risk policy, which is applicable to all allocation decisions made under the Framework. For additional detail see Section 2.
  - Based on the defined process for project evaluation and selection for a pre-defined pool of Eligible Properties, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - The Depositor will be responsible for allocating proceeds raised under the Framework. The Issuer has pre-determined the use of the net proceeds to purchase the Eligible Mortgage Asset and has stated its intent to fully allocate proceeds immediately at the time of issuance. Neither the Issuer nor the Depositor will retain the flexibility to re-allocate or make temporary allocations of proceeds.
  - Based on the commitment to full allocation at issuance, Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - The Framework commits to providing the investors with the Offering Circular (or the "Circular"). The Circular will provide information on the specific Eligible Properties financed including the description of the Eligible Properties, and the number of rent-stabilized and rent-controlled units. In addition, the Issuer intends to disclose relevant social metrics such as the number of units affordable to tenants at different AMI thresholds.
  - Sustainalytics considers the reporting process to be aligned with market practice.

Alignment with Social Bond Principles 2021

Sustainalytics has determined that the Social Bond Framework aligns with the four core components of the SBP. For detailed information please refer to Appendix 2: Social Bond/Social Bond Programme External Review Form.

Section 2: Sustainability Strategy of JPMC

Contribution of the Framework to JPMorgan Chase & Co.'s sustainability strategy

Sustainalytics is of the opinion that JPMC demonstrates a commitment to sustainability through its focus on Community Development, which is a core component of its broader Sustainable Development Target.[12] Through affordable housing initiatives and the ongoing implementation of programmes such as AdvancingCities, JPMC supports affordable housing and urban revitalization projects that serve low- and moderate-income communities across the US.[13,14] Sustainalytics highlights the following aspects of JPMC's sustainability strategy that are particularly aligned with the Framework:

- Sustainable Development Target – JPMC aims to facilitate more than USD 2.5 trillion in transactions by 2030 to address issues across its three areas of focus: 1) Green; 2) Development Finance; and 3) Community Development.[15] In 2020, JPMC provided more than USD 220 billion towards sustainable

[12] JPMorgan Chase & Co., "Impact - Our Commitments", at: https://www.jpmorganchase.com/impact/sustainability/es-commitments
[13] JPMorgan Chase & Co., "Affordable Housing – Promoting inclusive neighborhoods", at:https://www.jpmorgan.com/commercial-banking/solutions/commercial-real-estate/community-development-banking/affordable-housing
[14] JPMorgan Chase & Co., "Communities – *AdvancingCities*", at: https://www.jpmorganchase.com/impact/communities/advancingcities
[15] JPMorgan Chase & Co., "Impact - Our Commitments", at: https://www.jpmorganchase.com/impact/sustainability/es-commitments

initiatives, with USD 33 billion going to Community Development projects.[16] This commitment builds on the USD 15 billion in financing provided to affordable housing initiatives between 2010 and 2020.[17]

- JPMC has financed 112,000 affordable housing rental units since 2010 and has set a target of financing an additional 100,000 affordable housing units in underserved communities by 2025.[18,19] Through these investments, the Bank strives to promote inclusive neighborhoods by: i) developing advanced data and planning tools; (ii) mobilizing comprehensive and collaborative solutions; (iii) preserving, protecting, and promoting affordable rental housing and homeownership; and (iv) closing the racial wealth divide.[20]
- All aspects of JPMC's Community Development initiatives incorporate the Bank's five-year USD 30 billion Path Forward plan to advance racial equality in the US.[21]

- AdvancingCities – This is a five-year USD 500 million initiative launched in 2018 to invest in the long-term sustainability of global cities whose economic growth is lagging. Investments under this programme focus on collaboration, inclusive growth, community support, and anchor institutions, among other identified areas.[22]
  - As part of this programme, JPMC intends to provide financial support to communities that help drive wealth creation and economic success for the identified target groups through innovative and sustainable solutions. As of 2020, the Bank awarded over USD 50 million to 13 communities in the US.[23,24]

Sustainalytics is of the opinion that the Framework is aligned with JPMC's overall sustainability strategy and initiatives and will further the Bank's action on affordable housing, one if its key social priorities.

Well-positioned to address common social and environmental risks associated with the projects

Sustainalytics recognizes that the net proceeds from the Bonds issued under the Framework will be directed towards the Eligible Mortgage Asset, which is expected to generate positive social impact. However, Sustainalytics is aware that such financing could also lead to negative E&S outcomes. Some key risks associated with the Eligible Mortgage Asset could include issues involving operational health and safety in construction. Although both JPMC and the Asset Originator have a limited role in the execution and development of the individual projects financed, Sustainalytics is of the opinion that the Issuer is able to manage or mitigate potential risks through the implementation of the following Bank-level policies and processes:

- JPMC has established the Global Environmental and Social Risk Management group ("GESRM") which sets out the Bank's E&S risk policy and standards for identifying and managing transactions and/or activities that pose E&S risks. The GESRM also assesses such risks at a transactional level by engaging with clients on their commitments and capacities to manage E&S issues.[25]

- All Eligible Properties will be financed in the United States, which is classified as a "Designated Country" under the Equator Principles, which implies the presence of a robust system for environment and social governance, legislation, and institutional capacity aimed at protecting the environment and communities.[26]

- JPMC has also adopted other internationally recognized principles and best practices for the assessment of E&S impacts to foster responsible company performance, including the UN Universal Declaration of

[16] JPMorgan Chase & Co., "Impact - Our Commitments", at: https://www.jpmorganchase.com/impact/sustainability/es-commitments
[17] JPMorgan Community Development Banking, at: https://www.jpmorgan.com/commercial-banking/solutions/commercial-real-estate/community-development-banking
[18] JPMorgan Chase & Co., "Our Path Forward", at: https://www.jpmorganchase.com/impact/path-forward
[19] JPMorgan Community Development Banking, "Affordable Housing – Promoting inclusive neighborhoods", at: https://www.jpmorgan.com/commercial-banking/solutions/commercial-real-estate/community-development-banking/affordable-housing
[20] JPMorgan Community Development Banking, "Affordable Housing – Promoting inclusive neighborhoods", at: https://www.jpmorgan.com/commercial-banking/solutions/commercial-real-estate/community-development-banking/affordable-housing
[21] JPMorgan Chase & Co., "Our Path Forward", at: https://www.jpmorganchase.com/impact/path-forward
[22] JPMorgan Chase & Co., "Communities – *AdvancingCities*", at: https://www.jpmorganchase.com/impact/communities/advancingcities
[23] Past winning communities have been located in: Chicago, IL; Louisville, KY; Miami, FL; San Diego, CA; Syracuse, NY; Minneapolis, MN; Philadelphia, PA; Boston, MA; Portland, OR; Baton Rouge, LA; New Orleans, LA.
[24] JPMorgan Chase & Co., "*AdvancingCities* Challenge", at: https://www.jpmorganchase.com/impact/communities/advancingcities/advancingcities-challenge
[25] JPMorgan Chase & Co., "Environmental and Social Policy Framework", at: https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/environmental-and-social-policy-framework.pdf
[26] The Equator Principles, "Designated Countries", at: https://equator-principles.com/designated-countries/

Human Rights, the Wolfsberg Anti-money Laundering Principles, the UN Principles for Responsible Investment, and the Soft Commodities Compact.[27]

Based on these policies, standards, and assessments, Sustainalytics is of the opinion that both the Issuer and JPMC have implemented adequate measures and are well-positioned to manage or mitigate E&S risks commonly associated with the eligible category.

Section 3: Impact of Use of Proceeds

The use of proceeds category is aligned with those recognized by the SBP. Sustainalytics focuses below on the impact that is specifically relevant in the local context.

Importance of affordable housing investments in the United States

Lack of affordable housing is a significant and ongoing problem across the US. As of 2019, only 37 affordable rental units were available for every 100 low-income renter households in the country's 50 largest metropolitan areas.[28] This shortage is particularly evident in the country's largest city, New York, where over 25% of all renters spend at least 50% of their income on housing which is well above the commonly used affordability benchmark of 30%.[29,30] Furthermore, between 2007 and 2017, the 13% increase in New York's median rent far outpaced the 2.5% increase in median household income over the same period, a trend that has contributed to the affordable rental shortages.[31] Addressing these shortages will require a mix of policy interventions and private financial investments. In New York City, affordable housing shortages impact both the low- and middle-income groups.[32]

While dedicated workforce housing developments target the middle-income group,[33] in relation to housing shortages for for low-income renters, specifically, the Low-Income Housing Tax Credit (LIHTC) is the largest US government programme that incentivizes the construction and rehabilitation of affordable rental housing for low-income households. The LIHTC disburses USD 9 billion annually illustrating the scale of aid needed to address the challenge.[34] For the Middle-income Group, New York City has established programmes designed to spur growth in workforce housing, such as the Mitchell-Lama Program which has led to the development of over 100,000 affordable units across the city since 1955.[35,36]

Given that private investments are likely to play an important role in overcoming affordable housing shortages in New York and in the US more broadly, Sustainalytics views positively the financing of affordable housing under the Framework which is expected to meaningfully contribute to alleviate the affordable housing shortage in the US.[37]

[27] JPMorgan Chase & Co., "Environmental and Social Policy Framework", at: https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/environmental-and-social-policy-framework.pdf
[28] National Low Income Housing Coalition (NLIHC) report, "The Gap: A Shortage of Affordable Homes", (2019), at: https://nlihc.org/resource/nlihc-gap-2019-report-calls-significant-investments-address-shortage-7-million-affordable
[29] Office of the New York State Comptroller, "Housing Affordability in New York State", (2019), at: https://www.osc.state.ny.us/files/reports/special-topics/pdf/housing-affordability-2019.pdf
[30] Joint Center for Housing Studies of Harvard University, "Measuring Housing Affordability: Assessing the 30 Percent of Income Standard", at: https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_Herbert_Hermann_McCue_measuring_housing_affordability.pdf
[31] Office of the New York State Comptroller, "Housing Affordability in New York State", (2019), at: https://www.osc.state.ny.us/files/reports/special-topics/pdf/housing-affordability-2019.pdf
[32] For housing purposes, the U.S. Department of Housing And Urban Development defines low-income earners as those earning <80% AMI, while middle income earners are defined as those earning between 80% and 120% AMI. See footnote 7 above.
[33] Ford, T. and Schuetz, J., (2019), "Workforce housing and middle-income housing subsidies: A primer", The Brookings Institution, at: https://www.brookings.edu/blog/up-front/2019/10/29/workforce-housing-and-middle-income-housing-subsidies-a-primer/
[34] The Tax Policy Center, "What is the LIHTC and how does it work?", (2020), at: https://www.taxpolicycenter.org/briefing-book/what-low-income-housing-tax-credit-and-how-does-it-work
[35] NYU Furman Center, "State of New York City's Subsidized Housing in 2017", (2018), at: https://furmancenter.org/files/Subsidized_Housing_6_28_B_(3).pdf
[36] New York City Department of Housing Preservation and Development, "Affordable Housing – Mitchell Lama", at: https://www1.nyc.gov/site/hpd/services-and-information/mitchell-lama-program.page
[37] National Low-income Housing Coalition, "Housing Needs by State – New York", at: https://nlihc.org/housing-needs-by-state/new-york

Alignment with/contribution to SDGs

The SDGs were adopted in September 2015 by the UN General Assembly and form part of an agenda for achieving sustainable development by the year 2030. The Bonds issued under the Framework are expected to contribute to advance the following SDG and target:

Use of Proceeds Category	SDG	SDG target
Affordable Housing	11. Sustainable Cities and Communities	11.1 By 2030, ensure access for all to adequate, safe and affordable housing, and basic services and upgrade slums.

Conclusion

The Issuer has developed the J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH document under which it intends to issue social bonds and use the proceeds to purchase the Eligible Mortgage Asset sanctioned by JPMCB N.A. to refinance a portfolio of Eligible Properties, a majority of which are affordable housing units. Sustainalytics considers that the Eligible Mortgage Asset purchased through the bond proceeds is expected to provide positive social impact.

The Framework outlines a process to track, allocate, and manage proceeds, and makes commitments for the Depositor to report upfront on the allocation and impact of the use of proceeds. Sustainalytics believes that the Framework is aligned with the overall sustainability strategy of JPMC and that the social use of proceeds category will contribute to the advancement of the UN SDG 11. Additionally, Sustainalytics is of the opinion that both JPMC and the Issuer have adequate measures to identify, manage or mitigate environmental and social risks commonly associated with the Eligible Properties funded by the Eligible Mortgage Asset intended to be purchased with the proceeds.

Based on the above, Sustainalytics is confident that the Issuer is well-positioned to issue social bonds and that the Framework is robust, transparent, and in alignment with the core components of the Social Bond Principles 2021.

Appendices

Appendix 1: Social Bond Framework (excerpted from the J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH document)

Use of Proceeds: The net proceeds from the sale of the JPMCC 2021-NYAH, Commercial Mortgage Pass-Through Certificates, Series 2021-NYAH (the "Certificates") will be exclusively used by the Trust to purchase the Mortgage Loan, which was originated on June 8, 2021, and the net proceeds from the sale of the J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH MZ, Commercial Mezzanine Pass-Through Certificates, Series 2021-NYAH MZ (the "Mezzanine Offered Certificates") will be exclusively used by the Trust to purchase the Mezzanine Loan, which was originated on June 8, 2021. The net proceeds of the Mortgage Loan and the Mezzanine Loan were used to refinance a portfolio of 31 Properties totaling 53 Buildings and 3,531 residential units located across the Manhattan, Brooklyn, Queens and Bronx boroughs of New York City. There are 3,050 rent-stabilized units (86.4% of units), 436 market units (12.3% of units), 21 rent-controlled units (0.6% of units) and 24 employee units (0.7% of units) in the Portfolio. Of the 3,531 units in the Portfolio, 3,298 units (93.4% of units) are affordable to families with incomes no greater than 120% of the area median income ("AMI") and 1,706 units (48.3% of units) are affordable to families with incomes no greater than 80% of AMI. Units are deemed affordable if the unit rent does not exceed 30% of the AMI thresholds above with appropriate adjustments for unit size.

One of the Properties, Riverton Square is subject to a regulatory agreement to maintain no fewer than 975 affordable units at the Property.

Due to a combination of current regulations, tax abatements and/or tax exemptions with rent-stabilization requirements and the regulatory agreement (in the case of the Riverton Square Property), the eligible units are expected to remain rent stabilized or rent controlled during the Mortgage Loan term and the Mezzanine Loan term.

Project Evaluation and Selection: J.P. Morgan has defined an internal process wherein different groups within J.P. Morgan are responsible for selecting eligible projects. The Depositor and its affiliate, JPMorgan Chase Bank, National Association, which originates numerous mortgage loans and mezzanine loans in the ordinary course of business upon receipt of approvals from various internal committees, selected the Properties, the Mortgage Loan and the Mezzanine Loan as an eligible project based on an assessment that, given the high degree of affordability and rent regulation, this project is in alignment to the Social Bond Principles and J.P. Morgan's broader sustainability strategy.

Management of Proceeds: All of the net proceeds of the Certificates and the Mezzanine Offered Certificates will be immediately dedicated to purchase the Mortgage Loan and the Mezzanine Loan, respectively. The net proceeds of the Mortgage Loan and the Mezzanine Loan were used to refinance the Properties. The Depositor will transfer the Mortgage Loan to the Trust in consideration for the Certificates and transfer the Mezzanine Loan to the Mezzanine Trust in consideration for the Mezzanine Offered Certificates and the RR Interest (an uncertificated interest in the Mezzanine Trust representing the right to receive in the aggregate, approximately 5% of net collections on the Mezzanine Loan). The Depositor will transfer the net sales proceeds of the Certificates to JPMCB in consideration for the Mortgage Loan and transfer the net sales proceeds of the Mezzanine Offered Certificates and the RR Interest to JPMCB in consideration for the Mezzanine Loan. After the transfer of the Mortgage Loan and the Mezzanine Loan from JPMCB to the Depositor and from the Depositor to the Trust and the Mezzanine Trust, respectively, and the issuance and sale of the Certificates backed by the Mortgage Loan and the Mezzanine Offered Certificates backed by the Mezzanine Loan, the Mortgage Loan and the Mezzanine Loan will no longer remain on J.P. Morgan's balance sheet. There will be no unallocated net proceeds of the Certificates or the Mezzanine Offered Certificates to manage after the Closing Date. The Certificates will only be entitled to receive distributions attributable to, and will only incur losses in respect of, the Mortgage Loan in proportion to their respective percentage interest in the Mortgage Loan. Neither the Depositor nor the Trust will retain the flexibility to re-allocate the use of proceeds or have any temporary use of proceeds of the Certificates. Similarly, the Mezzanine Offered Certificates and the RR Interest will only be entitled to receive distributions attributable to, and will only incur losses in respect of, the Mezzanine Loan in proportion to their respective percentage interest in the Mezzanine Loan (i.e., approximately 95% in the case of the Mezzanine Offered Certificates and approximately 5% the case of the

RR Interest). Neither the Depositor nor the Mezzanine Trust will retain the flexibility to re-allocate the use of proceeds or have any temporary use of proceeds of the Mezzanine Offered Certificates.

Reporting: In connection with the offering and sale of the Certificates, the Depositor will provide investors with the Offering Circular, which will contain a description of the Properties and the respective key sustainability features including information on the Properties such as the number of rent stabilized and rent control units. In addition, the Depositor intends to disclose relevant social metrics such as the number of units affordable to tenants at different area median income thresholds in the Offering Circular. Similarly, in connection with the offering and sale of the Mezzanine Offered Certificates, the Depositor will provide investors with the Mezzanine Offering Circular, which will contain such information included in the Offering Circular. Investors in the Certificates and the Mezzanine Offered Certificates will receive, on a monthly basis, distribution date statements prepared by the Certificate Administrator or the Mezzanine Offered Certificate Administrator, as applicable. However, such distribution date statements will not contain any updated information about the number of affordable units, rent stabilized or rent controlled units at the Properties or details on rent limits/stabilization mechanisms. Further, there will be no ongoing reporting regarding allocation of net proceeds of the Certificates or the Mezzanine Offered Certificates, because 100% of the net proceeds of the Certificates or the Mezzanine Offered Certificates will be immediately allocated to the Mortgage Loan and the Mezzanine Loan, respectively, and as a result, such ongoing reporting will be unnecessary.

Appendix 2: Social Bond/ Social Bond Programme -External Review Form

Section 1. Basic Information

Issuer name:	J.P. Morgan Chase Commercial Mortgage Securities Trust 2021-NYAH
Social Bond ISIN or Issuer Social Bond Framework Name, if applicable:	Social Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	October 14, 2021
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the SBP:

☒	Use of Proceeds	☒	Process for Project Evaluation and Selection
☒	Management of Proceeds	☒	Reporting

ROLE(S) OF REVIEW PROVIDER

☒	Consultancy (incl. 2nd opinion)	☐	Certification
☐	Verification	☐	Rating
☐	Other (please specify):		

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section *(if applicable)*:

The eligible category for the use of proceeds, Affordable Housing, is aligned with those recognized by the Social Bond Principles, which seek to achieve positive socio-economic outcomes for target populations. Sustainalytics considers that the Issuer's financing of affordable housing assets will lead to positive social impacts and advance the UN Sustainable Development Goals, specifically SDG 11.

Use of proceeds categories as per SBP:

☐	Affordable basic infrastructure	☐	Access to essential services
☒	Affordable housing	☐	Employment generation (through SME financing and microfinance)
☐	Food security	☐	Socioeconomic advancement and empowerment
☐	Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP	☐	Other (please specify):

If applicable please specify the social taxonomy, if other than SBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

Different groups within JPMorgan Chase & Co., a parent of JPMorgan Chase Bank, National Association, were responsible for evaluating the eligible properties. JPMorgan Chase & Co. has a dedicated environmental and social risk assessment and mitigation process that is applicable to all allocation decisions made under the Framework. Based on the exclusive use of proceeds to purchase an asset that refinanced pre-identified eligible properties, Sustainalytics considers this process to be aligned with market practice.

Evaluation and selection

☒	Credentials on the issuer's social objectives	☐	Documented process to determine that projects fit within defined categories
☒	Defined and transparent criteria for projects eligible for Social Bond proceeds	☒	Documented process to identify and manage potential ESG risks associated with the project
☐	Summary criteria for project evaluation and selection publicly available	☐	Other (please specify):

Information on Responsibilities and Accountability

☒	Evaluation / Selection criteria subject to external advice or verification	☐	In-house assessment

☐ Other (please specify):

3. MANAGEMENT OF PROCEEDS

Overall comment on section *(if applicable)*:

J.P. Morgan Chase Commercial Mortgage Securities Corp., a wholly owned subsidiary of JPMorgan Chase & Co., will be responsible for immediately allocating the full bond proceeds to purchase the mortgage loan from JPMorgan Chase Bank, National Association with no flexibility to re-allocate. This is in line with market practice.

Tracking of proceeds:

☐ Social Bond proceeds segregated or tracked by the issuer in an appropriate manner

☐ Disclosure of intended types of temporary investment instruments for unallocated proceeds

☒ Other (please specify): The proceeds will be fully allocated at the time of issuance; the Issuer or the Depositor retain no flexibility to re-allocate proceeds.

Additional disclosure:

☐ Allocations to future investments only

☐ Allocations to both existing and future investments

☐ Allocation to individual disbursements

☐ Allocation to a portfolio of disbursements

☐ Disclosure of portfolio balance of unallocated proceeds

☒ Other (please specify): Allocations to existing investments only.

4. REPORTING

Overall comment on section (if applicable):

J.P. Morgan Chase Commercial Mortgage Securities Corp. commits to publishing an upfront report for the issuance with information on the specific eligible properties refinanced through the mortgage loan, including the description of the eligible properties and the number of rent-stabilized and rent-controlled units, along with key sustainability metrics, such as the number of units affordable to tenants at different area median income thresholds. Sustainalytics views JPMorgan Chase & Co.'s allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

☐ Project-by-project

☒ On a project portfolio basis

☐ Linkage to individual bond(s)

☐ Other (please specify):

Information reported:

☒ Allocated amounts

☐ Social Bond financed share of total investment

☐ Other (please specify):

Frequency:

☐ Annual

☐ Semi-annual

☒ Other (please specify): The report will be released upfront on the offering of the bond.

Impact reporting:

☐ Project-by-project

☒ On a project portfolio basis

☐ Linkage to individual bond(s)

☐ Other (please specify):

Information reported (expected or ex-post):

☐ Number of beneficiaries

☒ Target populations

☒ Other ESG indicators *(please specify):* The description of the Eligible Properties and the number of rent-stabilized and rent-controlled units.

Frequency:

☐ Annual

☐ Semi-annual

☒ Other (please specify): The report will be released upfront on the offering of the bond.

Means of Disclosure

☐ Information published in financial report

☐ Information published in sustainability report

☐ Information published in ad hoc documents

☒ Other (please specify): Information published in the Framework

☐ Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

N/A

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

☐ Consultancy (incl. 2nd opinion)

☐ Certification

☐ Verification / Audit

☐ Rating

☐ Other (please specify):

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE SBP

i. Second-Party Opinion: An institution with social expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Social Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Social Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to social sustainability, and an evaluation of the social features of the type of projects intended for the Use of Proceeds.

ii. Verification: An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or social criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the socially sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Social Bond proceeds, statement of social impact or alignment of reporting with the SBP, may also be termed verification.

iii. Certification: An issuer can have its Social Bond or associated Social Bond framework or Use of Proceeds certified against a recognised external social standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.

iv. Social Bond Scoring/Rating: An issuer can have its Social Bond, associated Social Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on social performance data, process relative to the SBP, or another benchmark. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material social risks.

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These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics` opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit http://www.sustainalytics.com/legal-disclaimers.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world's leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world's foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2020, Climate Bonds Initiative named Sustainalytics the "Largest Approved Verifier for Certified Climate Bonds" for the third consecutive year. The firm was also recognized by Environmental Finance as the "Largest External Reviewer" in 2020 for the second consecutive year. For more information, visit www.sustainalytics.com.

Largest Verifier for Certified Climate Bonds in Deal volume in 2020 & Largest External Review Provider in 2020

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