

WTH INCLUSIVITY TRUST BELONGING **BUILDING ON SUSTAINABILITY** GR
RESILIENCE COMMUNITY CLIENTS GOVERNANCE TALENT V
CS TRANSPARENCY ENGAGEMENT INNOVATION SOLUTIONS

TABLE OF CONTENTS

Message from our CEO	3	CLIENTS AND PARTNERS	12	MANAGING FOR THE LONG TERM	43	APPENDICES	102
2023 Sustainability Highlights	4	An Inclusive Economy	14	Environment	45	About This Report	103
BNY Sustainability Awards and Recognitions Overview	5	Promoting Economic Opportunity	16	Managing Climate-Related Impacts	46	Materiality	104
Our Approach to Sustainability	8	Ready for Work, Today and Tomorrow	17	Environmental Sustainability	72	Global Reporting Initiative (GRI) Index	106
Sustainability at BNY	9	Community Banking & Solutions	17	Responsible Business	77	Sustainable Accounting Standards Board (SASB) Index	122
Sustainability Governance	11	Building Stronger Small Businesses	19	Compliance and Ethics	78	Task Force on Climate-Related Financial Disclosure (TCFD) Index	125
		Affordable Housing	20	Data Privacy	80	People Data EEO-1	126
		Sustainable Solutions	22	Cyber Resilience	81	Workforce Metrics	127
		Responsible Investment	23	Supply Chain	83	Verification Opinion Declaration: Greenhouse Gas Emissions	129
		Thematic Investments to Drive Change	25	Protecting Human Rights	85	Legal Notices	131
		BNY Wealth	28	People and Communities	87		
		Data, Analytics and Reporting	30	Belonging and Inclusion	88		
		Financial Infrastructure	31	Investing in Our People	92		
		Trust	35	Empowering Communities	98		
		Corporate Governance	36				
		Risk Management	39				
		Data Ethics	40				

MESSAGE FROM OUR CEO

A Message From Robin Vince

President and CEO, BNY

Resilience is an imperative for any company. How markets and stakeholders judge resilience and use sustainability as an input for that judgment continues to evolve. For the financial industry, sustainability considerations cover a broad range of topics — asset valuation, risk management, potential paths of economic growth, community engagement, employee culture and government policies, among others. As such, it remains an important topic for our firm.

We manage BNY with an emphasis on resilience, and we are now increasingly focused on how being more sustainable reinforces that mission for our company, our clients' portfolios and the economy as a whole. We are concentrating on two areas: first, the role sustainability plays in our operations, both the impact we have on the environment and on the financial system; and second, how we work with our clients to enable their own sustainability objectives including advancing a more inclusive economy.

Given the unique role that BNY plays in the global financial system — touching around a fifth of the world's investable assets and providing essential market infrastructure — we

have a unique ability to help clients understand and address sustainability challenges. Being client-led is central to our approach and, as part of those efforts, we are giving clients the tools and data to make the best possible decisions about a range of issues, such as how energy transition or climate resilience will impact their investments. In addition, we are providing them with a number of options to meet their own sustainability objectives, such as sustainable funds and green bond offerings.

Our work to analyze and understand sustainability risks has also guided the way we operate BNY, including growing our use of renewable energy. In 2023, we hired our first Chief Sustainability Officer and have accelerated our work toward delivering greenhouse gas reductions in relevant areas of our Scope 1, Scope 2 (location-based) and Scope 3 financed emissions, consistent with 1.5°C degree pathways by 2030.

Sustainability, of course, is about more than driving efficiencies and managing risks. The second key aspect of our work is the way we engage with partners to drive a more inclusive economy. One of the biggest challenges faced by underserved communities is that the financial institutions that serve them sometimes do not have sufficient scale or capabilities in the context of the broader financial system.

I am proud of the steps we are taking to help build a more inclusive economy, such as a historic \$500 million debt offering in BNY notes led entirely by minority-, veteran- and woman-owned firms as joint bookrunners — the first such notes issuance for a global systemically important bank. We are also expanding our efforts to provide community banks with the solutions, tools and platforms they need to scale their services and reach more people, including through alliances with Bronx-based Ponce Bank and South Carolina's Optus Bank via the U.S. Treasury Department's Mentor-Protégé Program.

Sustainability is important to BNY's ability to be a source of resilience and trust. BNY has helped our clients and the financial system navigate 240 years of changes, and we have the commitment and wherewithal to navigate today's challenges. I'm pleased to share with you this year's sustainability report, which aims to provide a deeper understanding of our efforts.

Sincerely,



Robin Vince

2023 SUSTAINABILITY HIGHLIGHTS

Clients and Partners

AN INCLUSIVE ECONOMY

Organizing a Historic Debt Issuance

In May 2023, we became the first Global Systemically Important Bank (G-SIB) to organize a debt issuance led entirely by women-, minority- and veteran-owned financial institutions. This \$500 million debt offering built upon groundwork we laid in the prior year adding women-, minority-, and veteran-owned firms in the joint bookrunner role on a \$1.7 billion offering and a \$750 million offering with eight veteran-owned broker-dealers as co-managers. In working with these firms that also happened to be our clients, we understood their expertise and capabilities. They delivered for us while allowing them to also build on the overall success of their investment banking businesses.

SUSTAINABLE SOLUTIONS

Turning Liquidity Into Impact

Our innovative investment solution, SPARKSM shares, empowers clients to align their liquidity investments with philanthropic goals, using a portion of our revenue to contribute to an eligible nonprofit of their choice.¹ This builds on our success with BOLD[®] shares, whereby a portion of profit on our Dreyfus Money Market Fund translates into support for students in financial need at Howard University.²

TRUST

Leading in Board Diversity

Following the election of directors at the 2024 Annual Meeting of Stockholders, 45% of our directors are women and an additional 27% of our directors are diverse on the basis of race or ethnicity.

Managing for the Long Term

ENVIRONMENT

Commitment to Environmental Sustainability

In 2023 we updated key climate goals, including setting targets for greenhouse gas (GHG) emissions reductions in relevant areas of our Scope 1 and Scope 2 (location-based) operational emissions and Scope 3 financed emissions by 2030, consistent with 1.5°C pathways.

RESPONSIBLE BUSINESS

Driving Cultural Improvements

To bring our risk culture to life for employees, all employees are required to complete and attest to understanding an annual Ethics and Our Code of Conduct training course and we achieved a 100% completion rate in 2023.

PEOPLE AND COMMUNITIES

Becoming Owners

BNY launched our BK Shares program to grant shares to the 45,000 employees who didn't previously receive stock as part of their compensation, furthering our culture of ownership and accountability across our company while enabling our people to participate in the capital markets they help serve.

¹ BNY Mellon Investment Adviser, Inc. (the fund's investment adviser), will make an annual donation to charitable and other not-for-profit organizations that are selected by holders of SPARKSM {superscript} shares ("Donation"). The organization(s) selected by the shareholder for the Donation must be tax-exempt pursuant to section 501(c)(3) under the Internal Revenue Code of 1986, as amended, and determined by BNY to be eligible ("Eligible Organizations"). The Donation will be based on an amount representing 10% of BNY Mellon Investment Adviser's net revenue attributable to the fund's SPARKSM {superscript} shares. "Net revenue" represents the management fee paid by the fund to BNY Mellon Investment Adviser, after any fee waivers and/or expense reimbursements by BNY Mellon Investment Adviser, with respect to SPARKSM {superscript} shares, and will be paid from BNY Mellon Investment Adviser's own past profits

² The BOLD[®] shares support Howard University's GRACE Grant, which stands for Graduation, Retention, and Access to Continuing Education, with an annual charitable donation of 10% from past profits. "Net revenue" represents the management fee paid by the Fund to BNY Mellon Investment Adviser, Inc. after any fee waivers and/or expense reimbursements by BNY Mellon Investment Adviser and less any revenue sharing payments made by BNY Mellon Investment Adviser or its affiliates, with respect to the fund's BOLD shares.

SUSTAINABILITY AWARDS AND RECOGNITIONS

Dow Jones Sustainability Indices (DJSI) inclusion, North America Index, 2023



10 consecutive years

Perfect score on the Human Rights Campaign Foundation's 2023/2024 Corporate Equality Index



16 consecutive years

FORTUNE magazine's World's Most Admired Companies



27th year

FTSE4Good Global Benchmark Index



FTSE4Good

13 consecutive years

2023 Bloomberg Gender-Equality Index



6 consecutive years

JUST 100



2 consecutive years

[Learn more at BNY Awards and Recognition.](#)

BNY OVERVIEW

Making money work for the world.

At BNY, we oversee nearly \$50 trillion in assets for our clients — managing it, moving it, and keeping it safe.

As a global financial services company, we partner alongside our clients, putting our expertise and platforms to work, helping them achieve their ambitions.

Every day, our people help companies and institutions access the money they need, support governments in funding local projects, safeguard the investments for millions of individuals, and so much more.

For 240 years, we have been creating new solutions for businesses, communities, and people everywhere while remaining resilient through change. No matter what the future brings, we'll be ready, and we'll be working — making money work for the world.

a. Source: Finadium; Year-end analysis as of 2022

b. Pensions & Investments, October 23, 2023. Ranked by total worldwide assets under management as of December 31, 2022.

c. Based on company filings and The Cerulli Report, 2022. Ranked by Wealth Management assets under management as of December 31, 2022.

d. LaRoche Research Partners, "US Broker Clearing Relationship Changes 2022," based on number of broker-dealer clients.

e. Based on BNY Mellon data as of December 31, 2023.

f. The Clearing House. Based on CHIPS volumes for the year ended December 31, 2023.

g. Source: 2020 Mutual Fund Services Guide (by number of accounts globally)

h. Source: 2022 Monterey Insight Ireland Fund Report (by total fund assets)

i. Largest program as measured by on-loan assets according to S&P Global Market Intelligence Securities Finance as of 3Q 2023.

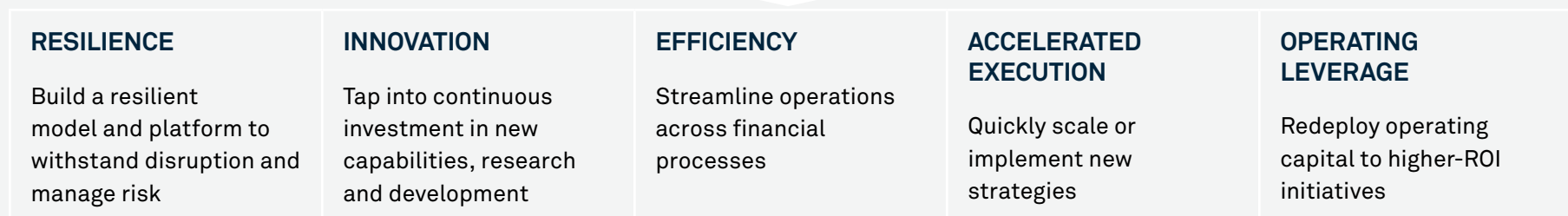
j. Source: BNY Mellon's proprietary enterprise Voice of Client program conducted in 2023, which garnered 137 respondents from 96 enterprise clients. Net Promoter Scores represent the clients' likelihood of recommending BNY Mellon.

k. Includes AUM and AUC/A in the Wealth Management line of business.

l. Based on BNY Mellon data as of February 2024.



BENEFITS



Global reach and scale:

\$47.8T

assets under custody and/or administration³

\$2.0T

assets under management⁴

\$12.5T

average daily clearance value⁵

\$2.4T

average daily payment value⁶

\$312B

wealth management client assets⁷

Breadth of our client franchise:

91%

of Fortune 100 companies

94%

of the top 100 banks

92%

of top 100 investment managers

³ As of December 31, 2023. Consists of assets under custody and/or administration ("AUC/A"), primarily from the Asset Servicing line of business and, to a lesser extent, the Clearance and Collateral Management, Issuer Services, BNY Pershing and BNY Wealth lines of business. Includes the AUC/A of CIBC Mellon Global Securities Services Company ("CIBC Mellon"), a joint venture with the Canadian Imperial Bank of Commerce, of \$1.7 trillion at December 31, 2023.

⁴ As of December 31, 2023. Excludes assets managed outside of the Investment and Wealth Management business segment.

⁵ Average for the year ended December 31, 2023

⁶ Average for the year ended December 31, 2023

⁷ As of December 31, 2023. Includes AUM and AUC/A in the BNY Wealth line of business.

OUR APPROACH TO SUSTAINABILITY



We believe that applying a sustainability approach across our enterprise, leveraging the rich diversity of our people, driving responsible business practices, and supporting communities directly supports BNY's mission and our clients.

Meaghan Muldoon, BNY Chief Sustainability Officer

BNY plays an important role in the global financial system, and that foundation drives our approach to sustainability. We manage our firm with a focus on resilience, and we operate to enable a more inclusive, environmentally sustainable, and trusted financial system. We empower our clients and partners with solutions to meet their own sustainability objectives and to advance a more inclusive economy.

As a global financial services company, we believe it is important to manage and mitigate our climate and environmental footprint in a way that aligns with our business strategy and continues to support the needs of our clients and the broader economy. The unique role we play at the center of the financial system — touching around one fifth of the world's investable assets — gives us a tremendous responsibility and opportunity to manage our firm for the long term, build solutions to help our clients navigate through complexity, and work to enable a more inclusive, resilient and trusted financial system. To do this, we consider where we have the greatest opportunity to create value, and how we can proactively and appropriately manage the effects our business has on the environment and on the communities and regions where we operate, as well as the effects these factors can have on our business.

Our sustainability strategy follows two paths: helping our clients and partners meet their sustainability and community goals through the products and services we offer and managing our own operations with a focus on resilience. We are finding ways to be more for our clients and partners in their own sustainability journeys across all of our lines of business. For example, our teams are exploring opportunities to put sustainability data into action to develop more sophisticated insights for our clients and evolving our core platforms to meet their sustainability goals.

Within our own operations we prioritize understanding and managing our environmental footprint, from our emissions to our building standards to our efficient use of natural resources. We look to promote a workplace where people can thrive and in turn support our communities. We believe that environmental and social considerations are increasingly important for us and for our financial sector clients given the increasing regulatory requirements and climate impacts globally. Finally, we remain ever focused on responsible business practices so we remain a trusted partner to our clients and other stakeholders.

SUSTAINABILITY AT BNY

Clients and Partners

We are leveraging and adapting our core capabilities and innovating new products to support our clients and partners as they meet their business and sustainability objectives.

We do this by delivering in three primary areas:

An Inclusive Economy - Explore product offerings that expand market access and bring in diverse partners, supporting them as they grow their capabilities

Sustainable Solutions - Help our clients meet their business and sustainability objectives

Trust - Demonstrate responsible governance and risk management

Managing for the Long Term

Within our own operations, we prioritize understanding and managing our environmental footprint, look to promote a workplace where people can both thrive and support our communities, all while remaining a trusted partner to our clients and other stakeholders.

We are focused on the following areas:

Environment - Account and prepare for climate-related risks and responsibly manage our operational footprint

Responsible Business - Maintain ethical operations and supply chain as we safeguard data, privacy and human rights

People and Communities - Promote a workplace and communities where people can thrive

WHERE WE HAVE BEEN: PROGRESS IN 2023

We undertook several organizational changes to strengthen our global strategy and accelerate the integration of sustainability across our business practices. Among these, we:

- Updated the global sustainability governance structure overseeing integration of climate and sustainability strategy and risk management to strengthen global alignment and engage stakeholders across businesses/ jurisdictions, led by our Chief Sustainability Officer
- Conducted an in-depth review of existing emissions reduction targets and accelerated our work toward delivering GHG reductions in relevant areas of our Scope 1 and Scope 2 (location-based) operational emissions and Scope 3 financed emissions consistent with 1.5°C pathways by 2030

- Developed a global climate strategy that seeks to integrate climate change as a strategic consideration in our business and operations and risk management frameworks and promotes transparency through disclosure and stakeholder engagement
- Refreshed our approach to supporting communities in both our commercial and philanthropic activities
- Retired our 2025 Enterprise ESG Goals in order to look ahead to setting new goals aligned with our new strategy, based on evolving stakeholder feedback, global trends and our own business strategies



We build solutions to help our clients navigate through complexity and work to enable a more inclusive, resilient and trusted financial system.

Meaghan Muldoon, BNY Chief Sustainability Officer

WHERE WE ARE FOCUSED: PRIORITIES IN 2024

In 2024, we are focused on:

- Completing a double materiality assessment to identify key sustainability topics for us and our stakeholders and to inform management priorities
- Informed by the results of our assessment and review of existing targets and goals, evaluating enterprise-wide sustainability goals, in addition to the climate goals described in this report
- Enhancing our readiness to comply with applicable climate-related disclosure rules and regulations at the state, national and regional levels (e.g., in California, the U.S. Securities and Exchange Commission, and the Corporate Sustainability Reporting Directive in the EU, among others) and supporting our clients in their own reporting and compliance efforts
- Sharpening our focus on priority areas for working with our clients and partners

SUSTAINABILITY GOVERNANCE

The work of considering and integrating sustainability topics into the fabric of our business extends from the highest level of leadership to individual employees across the globe. The company's sustainability governance structure includes the various groups that oversee and support the development and implementation of our approach in a coordinated fashion. We believe that this structure enables BNY to effectively monitor and address sustainability-related risks and opportunities.

Sustainability-related matters are overseen by the Corporate Governance, Nominating and Social Responsibility (CGNSR) Committee of the Board. Our directors bring a diverse set of skills, experience and expertise on a variety of sustainability-related matters and provide guidance and challenge to management with respect to our sustainability strategy and business practices.

Chief Sustainability Officer (CSO)

Provides leadership to the BNY Sustainability Office and partner teams, with the mandate to develop, lead and oversee the execution of a global sustainability strategy.

Business Management and Client Committee (BMCC)

Composed of certain Executive Committee (EC) members, and is responsible for reviewing sustainability strategies, guidelines and policies across the enterprise, guiding enterprise-wide integration, and monitoring progress.

Sustainability Steering Council (SSC)

Responsible for advising the Chief Sustainability Officer (CSO) and BMCC on sustainability strategy and key sustainability-related business decisions; makes decisions related to sustainability strategy implementation as delegated by the BMCC.

Sustainability Strategy Implementation Council (SSIC)

Provides oversight and coordination of prioritized sustainability related workstreams, provides LOBs/ functions/regions with direct visibility and representation in enterprise level sustainability strategy and execution, leads integration of sustainability strategy across LOBs/functions.

BNY Sustainability Office (BNY Sustainability)

Led by our CSO, and reporting to the Chief Corporate Affairs Officer, BNY Sustainability manages several corporate-level sustainability-related strategies and commitments. This team provides subject matter expertise, collaborates with corporate functions and departments to assist in developing initiatives for integrating sustainability across the enterprise, and manages public corporate-level sustainability-related reporting and disclosures. It supports internal teams in communicating our sustainability story, facilitates external stakeholder input, coordinates with the EC and senior leadership to assist in their reporting to the Board and the CGNSR Committee, and collaborates with experts and facilitates corporate-level thought leadership.

Subject Matter Experts (SMEs)

Our SMEs across lines of business and corporate functions execute and provide feedback on sustainability-related policies, practices and programs in coordination with BNY Sustainability. This includes Internal Audit who play a key role in providing objective assurance and advice on ESG and sustainability matters. Additional sustainability efforts across BNY are led and supported by Employee/ Business Resource Groups (E/BRGs), Environmental Sustainability Ambassadors, and volunteer and philanthropic fundraising committees that support social or environmental impact initiatives.

Learn more about [BNY Sustainability on our website](#).

CLIENTS AND PARTNERS

We are leveraging and adapting our core capabilities to develop new products to support our clients and partners in meeting their business and sustainability objectives.

Our commitment to sustainability drives how we work with clients and partners to build a more inclusive economy and how we support our clients in achieving their sustainability objectives, and guides the way we run our firm, including how we engage with our stakeholders and continue to earn our clients' trust.

As we continue to strengthen our sustainability capabilities and partnerships, we bring forward a tradition of innovation — whether by acting as one of the leading trustees in green bonds by deal volume or extending Real-Time Payments to unbanked and underbanked communities through our collaboration with MoCaFi, a minority owned fintech platform established to empower traditionally underserved communities. We will continue to be more for our clients and innovate to support our clients and communities in their sustainability goals.

AN INCLUSIVE ECONOMY

Enable market access and create opportunities for underrepresented partners and communities.

- Products to Drive Change
- Economic Opportunity
- Community Banking & Solutions
- Small Business
- Affordable Housing

SUSTAINABLE SOLUTIONS

Help our clients meet their business and sustainability objectives.

- Responsible Investments
- Data, Analytics and Reporting
- Financial Infrastructure

TRUST

Continue to demonstrate responsible governance and risk management.

- Corporate Governance
- Risk Management
- Data Ethics

AN INCLUSIVE ECONOMY

We are committed to leveraging our platforms and expertise to help build a resilient and inclusive economy by enabling market access and creating opportunity for underrepresented communities.

We believe one of the biggest challenges faced by many communities is that the financial institutions that serve them lack the market access they need. We are committed to working with institutions to help them achieve their ambitions, empowering them with the capabilities and expertise to create more economic benefits within their communities.

We focus on increasing access for communities, including underrepresented communities, and bringing solutions to help enable the financial institutions that serve them. Our areas of work include: community banking and solutions, growing relationships with minority business enterprises, socially aligned investment solutions, and strategic use of balance sheet to support community assets.

By working to advance financial inclusion and opportunity, we support the following The Sustainable Development Goals (SDGs):



INVESTING FOR RESILIENT COMMUNITIES IN 2023

**\$5.7B
AUM**

in our BOLD® shares whereby a portion of profit on our Dreyfus Money Market Fund translates into support for students in financial need at Howard University

\$500M

debt offering led entirely by minority-, veteran- and woman-owned financial institutions

\$10M

invested in diverse-owned investment firms serving low-to-moderate income areas

3 investments totaling

\$68M

in affordable housing

over

\$122M

funded as part of our Small Business Investment Company (SBIC) commitment

PROMOTING ECONOMIC OPPORTUNITY

An essential part of our work is working alongside and empowering our clients, often other financial institutions, including smaller and more specialized players. We leverage our platforms and experience to help build a more resilient and inclusive financial system to ensure money works for more people through increasing market and financial access. One way we do that is by opening doors of opportunity to minority-owned financial institutions.

In 2023, BNY continued to evidence our efforts to include more communities in successful commercial outcomes while driving a positive impact in society. A longtime supporter of building diverse and inclusive communities, we use our role as a frequent issuer of debt in public and private capital markets to advance inclusive initiatives along with minority-owned financial institutions, in addition to other parties. We believe that including minority-owned financial institutions in capital markets contributes to the resilience and vibrancy of communities.

BNY made history this past year with a \$500 million debt offering led entirely by minority-, veteran- and women-owned investment firms. This was the first notes issuance for a G-SIB, and for BNY, led entirely by minority-, veteran- and woman-owned firms as joint bookrunners, roles typically reserved for large global financial institutions. We were proud to work with Academy Securities, Loop Capital Markets, Ramirez & Co., Inc., R. Seelaus & Co., LLC and Siebert Williams Shank as lead underwriters.

This achievement represents the culmination of deep, long-standing commercial relationships forged between these firms and BNY as we progressively worked with them to grow these firms and amplify their capabilities. For example, BNY Pershing served as Loop Capital Markets' clearing firm for 25 years. Over that time, Loop Capital Markets grew into a global investment services provider, supported by BNY expertise and services. Similarly, we have engaged Academy Securities, Ramirez & Co., Inc. and Seelaus & Co., LLC and Siebert Williams Shank in previous debt offerings.

In a similar 2023 effort, BNY invested \$10 million with Lafayette Square, an impact-driven Black-owned investment firm. Lafayette will use this capital as it seeks out investment opportunities to stimulate economic growth in low-to-moderate income areas while generating positive returns for investors. BNY's contribution is funding Lafayette Square's flagship investment strategy, which aims to direct more than half of invested capital in underserved areas or to borrowers who provide substantial employment to low- and moderate-income individuals.

The Growth & Empowerment for Minority Businesses (GEM) Program, developed by BNY Pershing, has played a pivotal role in amplifying the capabilities of these firms and aims to drive remarkable business outcomes for these businesses and BNY.

The GEM Program explores opportunities to: 1) grow the talent pipeline into financial services through engagements with students; (2) establish new opportunities for existing clients; and (3) increase the representation of diverse owned businesses in our client base. At its essence it develops internal and external opportunities for minority owned financial institutions that allow them to showcase their capabilities and grow their businesses. The Minority Business Enterprise (MBE) Client Council was launched in 2021, to intentionally and proactively represent the voices of diverse owned firms and address challenges faced by diverse-owned broker-dealers and Registered Investment Advisors.

READY FOR WORK, TODAY AND TOMORROW

Thousands of young people are better equipped with education and in-demand skills training that offers access to sustainable career pathways, thanks to BNY's multiyear, \$20 million Workforce of the Future initiative that was fulfilled in 2022, and built upon in 2023. Through our funding support of universities and nonprofit organizations around the world, young people received scholarships, participated in paid internships, advanced their education, gained entrepreneurship and social innovation skills, and became more equipped to participate in inclusive local economies. Learn more in [Preparing the Workforce of the Future](#).

COMMUNITY BANKING & SOLUTIONS

BNY is bringing our best-in-class global capabilities to communities in the U.S. by cultivating relationships with community banks, such as South Carolina-based Optus Bank, a federally designated Minority Depository Institution (MDI). We believe banks such as Optus are a gateway to creating more financially inclusive communities.

Our relationship with Optus began in 2019 by conducting an in-depth operational review and development and strategic plan to identify mission-aligned growth opportunities. In April 2021, BNY implemented an Account Validation Services product that enforced stronger fraud mitigation around the Optus payments model. In addition, BNY has increased the capacity of Optus Bank to grow its impact by placing deposits totaling \$13 million. This significant capital infusion is directly driving Optus' mission of investing in underserved communities.

Since our relationship started, the bank has grown by over 1000%, while directing most of the new assets into high-potential underestimated communities. In 2023, 97% of its

loans were impact loans. Over the years, we have cultivated a trusted advisory relationship, providing support and services that Optus leadership has used to help accelerate the bank's growth and lending capacity.

We continue to explore how we can increase access to financial services, strategic guidance and technology to facilitate the growth and success of community banks across the United States.

PAYMENT OPTIONS FOR UNDERBANKED CONSUMERS

Residents in unbanked and underbanked communities across the U.S. now have more choice of payment methods thanks to a collaboration between BNY's Treasury Services and MoCaFi, a minority owned fintech platform established to empower traditionally underserved communities. Through this strategic alliance, we are leveraging MoCaFi's innovative platform to provide federal, state and local governments, as well as corporate clients, with a digital disbursement payment service that reaches individuals without current access to basic financial services. The alliance reflects BNY's broader commitment to financial inclusion, helping to connect unbanked and underbanked individuals and communities to high-quality financial services. We believe that access to the modern banking system, through services such as an FDIC-insured account, as well as a debit card and credit reporting capabilities, is one of the best approaches to making the economy more inclusive. MoCaFi's technology helps make that possible.

This new disbursement service is available on a stand-alone basis as well as through BNY's Vaia payment platform that allows payee choice of payment method. The offering is designed to seamlessly distribute payments and disbursements, such as disaster relief financial aid and employee payroll, from government and corporate clients to individuals without financial services access.

BankifySM, an open banking payments service launched in 2023, also benefits underbanked consumers by serving as an alternative to credit or debit cards or third-party payment platforms. Bankify enables clients to offer end users the ability to easily make payments directly from their bank accounts. Both of these services fit with BNY's values

of making the financial ecosystem stronger, better and more accessible.

Driven by our shared commitment to build an inclusive economy and use technology to promote financial equity in underserved communities, BNY and MoCaFi hosted On Our Block, a financial empowerment pop-up event. Employees served as financial coaches to local community members who received a \$100 deposit from BNY for opening a checking account with MoCaFi. The program was hosted in collaboration with Bed-Stuy Restoration Corporation, a philanthropic partner of BNY, and took place at the Schomburg Center for Research and Black Culture in Harlem.



BUILDING STRONGER SMALL BUSINESSES

Small businesses can be powerful drivers of economic empowerment. BNY seeks to fuel these engines of growth through the capabilities of our entire company, including ongoing investments in the Small Business Investment Company (SBIC) fund program. Through the SBIC fund program, our capital reaches small businesses that are underserved by traditional capital markets. In addition to providing attractive risk-adjusted returns, these investments provide critical capital to small and middle-market businesses.

SBIC funding commitment:

Over
\$122M
(funded) and over

\$38M
(unfunded)

**21 SBIC
INVESTMENTS**

in the BNY portfolio as of year-end: 2023

To augment this funding, we direct corporate grants and the technical skills of our professionals through volunteer programs designed to meet the needs of small businesses. For example:

- We hosted our second small business-focused Pro Bono Accelerator, part of BNY Impact Advising. Employees provided strategic advising and technical assistance to local diverse entrepreneurs and small businesses, which ranged from an architecture firm to an AI-powered communication coaching platform.
- BNY provided grant support to StartOut, a nonprofit that provides programs and services to accelerate the growth of LGBTQ+ entrepreneurs and their businesses.

AFFORDABLE HOUSING

BNY pursues both traditional and creative financing to help developers of affordable housing address the shortage of quality rental homes for low- and moderate-income (LMI) family and senior citizen households in their communities. We provide construction loans, letters of credit and equity capital invested in low-income housing tax credit (LIHTC) entities on behalf of our developer clients.

We believe that our investments enable multiyear construction projects that will help build stronger communities both during the construction phase and for years afterward. During development, these projects often leverage capital subsidies committed by state and local governments, support partnerships with minority- and women-owned businesses or nonprofit developers, and create good-paying construction jobs.

When completed, these financially sound projects often revitalize or stabilize LMI neighborhoods. Many of these developments include some community facility spaces that serve a neighborhood need, and many are built to Enterprise Green Communities standards and requirements for energy efficiency. Finally, most developments set aside a portion of the newly created units for formerly homeless households or other special-needs tenants.

BNY shares insights in innovative public finance and public-private partnerships in [“Affordable Housing Finance for Equity Economic Development.”](#)

In the United States, two BNY banking entities — BNY Mellon, N.A. and The Bank of New York Mellon — are evaluated for compliance with the Community Reinvestment Act (CRA) of 1977, the federal law intended to encourage banks to help meet the credit needs of the communities in which they operate. BNY’s covered banking subsidiaries in the U.S. meet their obligations under the CRA through investing, lending and performing community service in low- and moderate-income communities. We are pleased to report that regulators have rated BNY Mellon, N.A. as “Outstanding” and The Bank of New York Mellon as “Satisfactory” during their most recent CRA performance evaluations.

New LIHTC equity investments:
3 investments totaling

\$68M

Units produced (LIHTC investments only):

398 UNITS

AFFORDABLE HOUSING HONORS FIRST KNOWN BLACK CATHOLIC PRIEST IN THE U.S.

Helping seniors age in place in safe, affordable housing in the neighborhoods where they have lived with their families and raised their children contributes to resilient, inclusive communities. This allows for seniors to maintain the social interactions that are so critical to long-term health and higher quality of life.

BNY has been a proud supporter of such projects for many years. One recent example is the financing we are providing to support the development of Father Augustus Tolton Place, an affordable senior living community in the under-resourced Eastwick section of Southwest Philadelphia, in collaboration with Catholic Housing and Community Services, the development arm of the Archdiocese of Philadelphia. The building is named for Father Augustus Tolton, who is regarded as the first Black American priest in the United States. Born as an enslaved person in 1854, Father Tolton ministered in Illinois and led the development of a Black “national parish” on Chicago’s South Side.

Construction of the \$18 million development began in 2023. When completed, it will feature 45 one-bedroom apartments for income-eligible senior citizen households. The building is designed to further support residents with a community room, food cupboard, laundry facilities and on-site social services to assist residents as they age in place in their community.

SUSTAINABLE SOLUTIONS

We build solutions to help our clients navigate through complexity and work to help enable a more inclusive and resilient financial system.

We believe that financial institutions like ours have an important role to play in contributing to solutions for large-scale, environmental and social challenges, and we are focused on offering solutions to help our clients meet their business and sustainability objectives. This includes use of data and platform capabilities to support complex risk management, disclosure and compliance obligations and to provide crucial sustainability insights; financial infrastructure capabilities to support sustainable finance goals; and investment products and services to help clients meet their own sustainability objectives.

Through our sustainable solutions, we support the following SDGs:



RESPONSIBLE INVESTMENT

Our approach to responsible investment is to provide the services, tools and guidance that enable our clients to reach their own business and investment objectives. We do this while helping our clients navigate myriad risks and opportunities related to an increasingly complicated operating environment: climate, energy transition, nature, social inclusion and regulatory compliance, to name a few. We help to determine how to improve resiliency in the face of these changes and challenges — and in so doing we support our clients in meeting their sustainable development objectives.

Our Investment Management Capabilities

BNY Investments offers a wide range of traditional and responsible investment options through seven specialist investment firms and a number of regional distribution entities.⁸ Our approach includes the capability to service all types of clients, including sustainability-oriented clients.



While deliberately differentiated in their focus and product offering, our firms are aligned in their diligence to working in their clients’ best interests and in line with their fiduciary duty and legal requirements. As a global organization, we service clients as diverse as the economies in which we operate. Recognizing that clients will have varying requirements and be subject to different regulations across multiple jurisdictions, our firms offer a range of investment management strategies and products, which fall into four major categories, though not every firm offers all four categories.

ESG integration investments. Where appropriate to the investment strategy and mandate, the majority of our investment firms incorporate and analyze the financial implications of both ESG and a range of other factors, as an input into investment decisions. The analysis of the financial implications of these ESG factors are only one part of the investment process, meaning that investment decisions are not based solely on these considerations, as other factors may be deemed to be more financially material and to outweigh any financial considerations arising from ESG factors.

Investments with additional sustainability criteria. We also have products that incorporate positive and negative screening and other rules-based approaches to segment the investable universe or positively “tilt” portfolios based on a particular set of client criteria.

Sustainable and impact investments. These products appeal to clients who seek financial opportunities and also desire specified environmental and/or social outcomes, such as mitigating climate damage, supporting climate adaptation, slowing the loss of biodiverse natural ecosystems or supporting inclusive growth. The broad range of our offering is led by our clients’ evolving requirements, supported by international regulations, and continues to expand. All clients may choose to “opt in” to products with additional sustainability objectives, which are clearly differentiated from our general approach to understand and integrate all financially material ESG considerations into our active management offering.

Index-based investment solutions. We also have Index solutions that may be implemented through existing third-party environmentally-, socially-, or responsibly-themed benchmarks, or in conjunction with a rules-based approach incorporating screening or tilting techniques that can be tailored to the unique requirements of clients.

⁸ BNY owns a noncontrolling interest in Siguler Guff.

Innovating to Meet Client Needs

Drawing on their distinctive investment approaches and areas of expertise, our investment firms addressed client concerns in a variety of ways, including the following.

ESG Integration and Responsible Investment

When Newton clients request that their portfolios be managed against a net-zero or specific emission-reduction target, Newton quantitatively assesses the robustness of companies' emissions-reduction plans. Newton's assessment focuses on three main parts: target strength, past performance and climate products and governance. This helps Newton to identify companies with the most credible/robust emission-reduction plans, providing building blocks for client portfolios. Based on client requirements, Newton can also target different levels of portfolio emissions or narrow a portfolio's focus to a specific pathway to net zero.

Research-Informed Insights

We support investment management research to contribute to the field with ongoing public-domain research into governance and sustainability-related challenges. These are examples of some of the advanced research projects our investment firms undertook or supported in 2023.

Insight Investment partnered with The University of Oxford to establish a prestigious new prize in green finance with Insight Investment establishing a permanent endowment to support the prize in perpetuity. The prize is for two areas — outstanding practice and outstanding research. The inaugural prizes were presented at the 2023 Oxford Sustainable Finance Summit. The winner of the outstanding service category was Mary Schapiro, Vice Chair of the Glasgow Financial Alliance for Net Zero, Chair of the Climate Data Steering Committee and former Chair of the U.S. Securities and Exchange Commission (SEC).

Drawing on Newton's responsible investment research and analytics capabilities, the team has developed a sustainability theme alignment data tool that quantitatively estimates revenue alignment at a portfolio and issuer level to sustainable themes defined by Newton.

ENHANCED REPORTING AND DISCLOSURE

Our investment firms have advanced reporting of their stewardship approach and sustainability performance, with a particular focus on TCFD reporting among our firms regulated under the UK's Financial Conduct Authority.

Insight Investment [Responsible Stewardship at Insight: 2024 Report](#)

Insight Investment [Climate Change Report 2023](#)

Newton [Sustainability and Stewardship report](#) and [TCFD Report](#)

Siguler Guff [Responsibility Report](#)

Walter Scott [Annual Sustainability Report](#) and [TCFD Entity Report](#)

THEMATIC INVESTMENTS TO DRIVE CHANGE

Many of our sustainability-minded clients desire to drive social benefit while pursuing their financial goals. To meet this demand, we have developed forward-looking, innovative investment options that offer a social impact component. In creating these products, we seek to provide investors with financial opportunities while offering more ways to help our clients reach their responsible investing and sustainability goals.

Innovation is key to what we do and how we do it. Innovative thinking sparked the inception of SPARKSM shares and Women's Opportunity ETF (BKWO) in 2023 and BOLD[®] shares in 2022. In each instance, our Global Impact Citizenship team collaborated with our investment teams in product conceptualization and development. We also leverage existing philanthropy systems and subject matter expertise to provide a seamless experience for our clients. Building on our financial support to charitable organizations, we are going further to implement employee volunteering and mentoring engagements, adding yet another dimension of our support to their work. We believe this cross-firm teamwork fuels our creativity and yields better results for our clients.

Sparking Positive Impact

SPARKSM share class, launched by Dreyfus through its flagship fund, Government Cash Management, allows clients to drive change with their liquidity investments by directing a donation to an eligible nonprofit organization of their choice. Launched with over \$1 billion in assets, amounts representing 10% of the net revenues attributed to fund's SPARK shares will be donated to the client's selected nonprofit each year based on their average balance. SPARK allows our investors to make a positive, quantifiable impact on a nonprofit organization that aligns with their own philanthropic goals.

Investing in Women's Opportunities

Investors seeking to promote gender equity find the opportunity to do so in BNY Mellon Women's Opportunities ETF (BKWO). Managed by two female portfolio managers at Newton, this thematic fund considers companies whose corporate culture embodies gender-equitable practices and/or that deliver products and services to enhance the ability of women to meet their work or other personal life responsibilities. Annually, at least 10% of the management fees paid by BKWO goes to support charitable organizations that promote women's and/or girls' development, advancement and leadership. As part of this initiative, BNY has collaborated with the nonprofit Girls Inc. in its work to equip girls with the knowledge, skills and confidence to achieve their full potential.

BNY has also provided corporate grants to Girls Inc. and its

affiliate, Girls, Inc. of New York, in recognition of their work empowering young women. In collaboration with the BNY Women's Initiative Network, employees have volunteered to serve as mentors and participated in mock interviews and resume reviews with Girls, Inc. youth.

BOLD[®] Shares Benefit Diverse Students

Investors in Dreyfus' BOLD[®] (Black Opportunity for Learning and Development) shares, offered through Dreyfus' flagship fund, Dreyfus Government Cash Management, support diverse students with the highest need to remain on track for graduation. Amounts representing 10% of the fund adviser's net revenues attributed to the fund's BOLD shares will be donated to support Howard University's GRACE (Graduation Retention Access to Continued Excellence) Grant, a scholarship fund. BOLD launched in February 2022 and managed \$5.7 billion in assets as of December 31, 2023. In April 2024, Dreyfus made its third donation to the GRACE Grant, bringing Dreyfus' cumulative donation to more than \$1,000,000. Dreyfus, in collaboration with IMPACT, BNY's diversity-focused Employee/Business Resource Group, has also partnered with Howard University to build a nonfinancial program focusing on recruitment, mentorship and education to provide students further learning and development opportunities.

In addition, Howard University has been a long-standing philanthropic grant recipient of BNY's and the GRACE Grant continues to be one of the leading HBCU scholarship programs within our giving portfolio.

Understanding and Managing Nature-Related Risks and Opportunities

BNY and our investment firms seek to be at the forefront of understanding and quantifying nature-related financial impacts. Thus, BNY participates in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum and welcomed the release of the inaugural TNFD recommendations in 2023 as an opportunity to inform us and our clients in assessing these nature-related financial impacts. A number of our investment firms conduct research in this area and published insights that can support the investing decisions of clients and investors that are focused on nature-related issues.

Insight Investment contributed to consultations and market engagement on the draft TNFD beta versions in 2023, prior to publication of the final framework. Insight Investment has explored the application of this framework to corporate bond holdings, beginning with two fixed-income portfolios. Insight offered initial additional guidance for fixed-income investors in [“TNFD: A New Framework for Nature-Related Financial Disclosures: Implications for Fixed Income Investors.”](#) It shared these findings, its expectations for market development and sources of nature risk and opportunity in fixed-income portfolios in [“Nature-related Financial Risks in Corporate Bonds: Testing the TNFD Framework.”](#)

Newton has also been on the forefront of thought leadership in this area, publishing a series of articles to advance understanding of biodiversity as it relates to investment.

[“Biodiversity’s Role in Securing a Sustainable Future”](#)

[“Why Biodiversity Matters to Investors”](#)

[“Biodiversity Policy and Investor Stewardship”](#)

[“Biodiversity: Data and Impact Measurement”](#)

[“What’s Next for Biodiversity”](#)

Collaborating for Change

Where consistent with their business models, stated client objectives, products and legal requirements, a number of our investment firms participate in industry groups focused on sustainability and nature-related challenges facing the financial industry and actively participate in policy consultations and industry groups. Our key engagement topics include ESG data integrity, regulatory harmonization of sustainability standards, the climate transition, just transition, preservation of nature, and biodiversity, including the elimination of agricultural commodity-driven deforestation and the importance of transitioning industries.

Support for Sustainable Initiatives

We consider risks that may negatively impact economic returns over the long term and that support our related stewardship activities. Some of our affiliated investment managers are signatories or participants in some of the following non-exhaustive list of memberships, initiatives and industry codes of conduct and principles.

Environmental	Social	Governance
<p>CDP (BNY, Insight, Newton)</p> <p>Climate Action 100+ (Insight, Mellon, Newton)</p> <p>Green Bond Principles (Insight, BNY Wealth)</p> <p>Institutional Investors Group on Climate Change (IIGCC) (Insight, Newton)</p> <p>Net Zero Asset Managers initiative (Insight, Newton)</p> <p>TCFD (Insight, Newton, Walter Scott)</p> <p>Transition Pathway Initiative (Insight, Newton)</p>	<p>30% Club (BNY Investments)</p> <p>Farm Animal Investment Risk and Return (FAIRR) (Insight, Newton)</p> <p>ShareAction Healthy Markets (Mellon)</p> <p>UK Impact Investing Institute (BNY Investments)</p>	<p>International Corporate Governance Network (ICGN) (Walter Scott)</p> <p>Investor Stewardship Group (Newton)</p> <p>UK Stewardship Code (Insight, Newton, Walter Scott)</p>

[Principles for Responsible Investment](#) (ARX, BNY Investments, Mellon, Newton, Walter Scott)

[UN Global Compact](#) (BNY, Insight)

BNY WEALTH

Increasingly, clients seek to achieve specific financial goals through investments that align with their sustainability preferences and impact goals. We use a bespoke approach to guide wealthy individuals and families, family offices, nonprofits and other institutional investors as they deploy capital across the social finance spectrum, from capital markets to philanthropy. With \$312 billion in total client assets,⁹ BNY Wealth invests across a wide range of both proprietary and third-party responsible investing solutions.

Our proprietary offerings include equity models that implement exclusionary screening and portfolio tilting on a range of responsible investment criteria, such as Catholic values alignment as well as social values alignment. In fixed income, our responsible investing offerings include a municipal bond solution — our Social Finance-Themed Municipal Strategy — that meets clients' risk and return objectives with positive social and environmental outcomes. Examples of bond issues considered for investment include a charter school bond that is increasing access to education in a community and a social bond that is increasing access to affordable housing.

In alternative investments, we launched and closed our first proprietary private equity impact fund-of-funds focused on investments that are addressing global sustainability challenges, such as environmental protection, financial inclusion and social equity. In 2023, we released our inaugural annual impact report for this fund.

Our solutions also encompass a range of third-party responsible investment offerings, including mutual funds, separately managed accounts and ETFs, across a spectrum of responsible investment approaches, available to BNY Wealth clients.

Serving Institutional Investors

We provide multi-asset solutions to institutional investors through BNY Advisors LLC, a division of BNY Investments. We offer outsourced Chief Investment Officer (OCIO) services for retirement accounts, foundations and endowments, and family offices as well as model management, liquid alternatives and private equity. These services are increasingly focused on meeting clients' responsible investing goals in addition to their financial goals.

⁹ Includes custody assets and assets under management as of December 31, 2023

Investment Management Life Cycle

There are numerous factors and dimensions to consider, and we understand that one size does not fit all, as implementation looks different for each investor given their specific objectives. We work with clients throughout their investment management life cycle by following a thoughtful approach from discovery through implementation and ongoing management, in the six steps outlined here:



DATA, ANALYTICS AND REPORTING

In our recent Future of Asset Management Industry Trends report, reliance on data and analytics was identified as the top trend in asset management over the next 3-5 years by both asset managers and asset owners.¹⁰ Company valuations increasingly consider various ESG ratings, climate metrics and risk analytics across listed and private markets.

Financial institutions in general are grappling with consuming and managing large quantities of data from investment and market data to client data. Sustainability data brings additional complexity driven by multiple standards and methodologies adopted by data providers and public data sources.

Rapid change and increased complexity of regulatory and disclosure standards are reshaping the industry's needs for core ESG data integration and analytics, as investment and risk professionals increasingly integrate ESG factors into their decision process. Today's fast-evolving landscape requires robust tools and advanced analytics capabilities to make data-driven investment decisions with granularity and agility.

BNY's data, analytics and reporting capabilities are built to support asset managers, wealth managers, asset allocators and market infrastructure players to manage, monitor and analyze portfolio exposures across sustainability considerations.

Our capabilities are focused on enhancing data management, accounting, and performance for risk analytics, compliance monitoring and reporting for public and private markets.

Our data management solutions are built to support common complexities with integrating ESG data products such as:

- Sourcing and ingesting ESG metrics
- Integrating multiple data structures and measuring quality
- Aggregating ESG metrics across different portfolios
- Making them available through different consuming platforms, such as reports, portfolio tools and analytics engines

Our capabilities support user needs such as sourcing and integrating multiple ESG market data products with range

of indicators such as carbon emissions, regulatory metrics, physical risks, fund ESG rating, impact measurement.

Our data analytics capabilities are designed to help turn insights into action, and leverage a comprehensive set of solutions on a single data management platform to support:

- Accounting and performance analysis
- Analysis for investment decisions,
- Managing risks and monitoring portfolio compliance across public and private markets

Our platform helps link ESG data with other financial data elements (positions, pricing, securities), as well as custom client data to support range of analytics outputs.

As in our core offering, our bank-grade security protocols are built to safeguard sensitive information.

¹⁰ <https://www.bnymellon.com/us/en/insights/future-of-asset-management-trends-report.html>

FINANCIAL INFRASTRUCTURE

Through financing and payment solutions, we aim to fuel investments in a more sustainable future while facilitating secure, safe digital payments that power the global economy. In each of these areas, we strive to protect healthy markets and safeguard the environment while delivering value, by providing clients with next-generation services and insights designed to enable alignment with their ESG goals across the investment life cycle.

Financial Solutions

As a commercial enterprise that has operated for 240 years, we have long been known as a pioneer within the financial services industry. Many of our recent offerings enable customers to more seamlessly and powerfully integrate sustainability considerations as they invest, move and manage their capital.

Financial Solution	Capital	Contributing to a More Resilient Global Financial System
Sustainability-Aligned Securities Lending	Securities	Clients have the opportunity to better align their agency securities lending program with their own sustainability policies. Using an interactive dashboard in Nexen, clients can apply ESG scores based on MSCI ESG Ratings delivered through BNY’s data analytics ecosystem across their lendable portfolio, collateral and cash investments to help them evaluate alignment with their particular responsible investing policies.
Online Collateral Schedule Program, RULE®	Collateral	Our Clearance and Collateral Management services enable clients to include ESG indices and ESG ratings as eligibility criteria when defining acceptable collateral for their financing and other activities through our online collateral schedule program, RULE®.
LiquidityDirectSM ESG-Focused Investing Application	Short-term Investments	Via LiquidityDirect SM , investors have access to a broad range of money market funds and other short-term investments. We help clients connect the dots between their values and investments through capabilities that embed their focused investing criteria in their short-term cash management. Using data from ESG market data providers and from fund companies, the Focused Investing Application of LiquidityDirect provides clients with capabilities to compare and select investment options that align with their values and get meaningful insights on the environmental and social impact of their investments.
iFlow Green platform	Equities	Through this platform we examine how ESG investment mandates are impacting investor flows. We seek to track client ESG preferences in their equity investments by measuring general ESG metrics in their daily transactions. The ESG scores include general ESG metrics, including the four core elements of the UN Global Compact.

Financial Solution	Capital	Contributing to a More Resilient Global Financial System
Green, Social and Sustainability Bonds	Bonds	We continue to support the growing demand for green, social and sustainability loans and bonds in 2023 as we administered 91 new sustainability-linked issuances totaling \$52 billion. With a global market share of 14% in deal count origination, we are one of the leading trustees in green bonds by deal volume. ¹¹ For sustainable-linked products, repayment is tied to the achievement of institutional sustainability targets, such as greenhouse gas emissions reductions.
ESG Advisory Solutions	Depository Receipts	BNY strives to help our clients that issue Depository Receipts understand and navigate the rapidly evolving landscape of responsible investing and reporting. Specifically, we provide education and benchmarking, advise on stakeholder engagement policy and strategy, and facilitate engagement with investors and other key industry players. Our services can range from providing road maps to help manage investor concerns to assisting issuer clients in developing strategies that are integrated with their capital markets and investor relations activities.

¹¹ Green, social and sustainability bond data reflective of FY 2023: Dealogic and Refinitiv.

Payment Solutions

Our investments in digital payment services are intended to provide consumers with safer, faster, more sustainable ways to send and receive payments. Because some of these offerings empower our clients to reach unbanked and/or underbanked consumers, we are able to provide holistic, end-to-end services to address these gaps.

Promoting Paperless Payments

As one of the largest check processors in the U.S., BNY is leading efforts to reduce check-based payments to support U.S. clients' transition from paper to electronic transactions. We offer a growing series of digital innovations — many of which are described in the table at right — that deliver financial and environmental benefits by facilitating the transition to paperless payments. Beyond that, we are expanding access for our digital payment services to previously unbanked and underbanked communities through alliances with innovative digital platforms, such as [MoCaFi](#). We also offer price discounts on certain digital payment services and waivers of some upfront implementation fees for select clients.

Digital Payment Solutions	
Our Solution	The Service
Vaia	U.S.-based institutions use Vaia to offer payees a variety of digital payment options quickly and seamlessly. This flexible platform includes Real-Time Payments, Same-Day ACH, Tokenized Payments with Zelle® and push-to debit card — all on a client-branded front end.
BankifySM	Introduced in 2023, Bankify SM is an open banking payment solution designed to help organizations enable account-to-account consumer payments. Offered through an alliance with Trustly, Bankify SM enables an alternative payment or funding method for merchants, billers and broker-dealers alike. Bankify SM offers accessibility for payers, reaching Americans that have ACH-ready accounts.
Account Validation Services	Account Validation Services contribute to the safety and integrity of payments systems by helping to reduce the risk of fraudulent or erroneous transactions. Our Account Validation Services allow validations of the receiving account status and ownership elements in real time prior to a payment being sent.
Real-Time Payments	We offer clients a single Real-Time Payments solution that allows seamless access to both the RTP® Network and FedNow® Service, empowering clients to easily join the paper-to-digital payments evolution. As one of the first banks to go live on both networks, we are facilitating broader and deeper access to the financial industry.
Bill Pay Advantage	Bill Pay Advantage, an Electronic Bill Presentment and Payment platform, enables U.S. businesses to present digital bills to their clients via their preferred channel (Web-based User Interface, mobile, integrated Customer Service Portal and Interactive Voice Response) to automate their receivables process in a single integrated solution. Bill Pay Advantage offers a variety of payments methods, including credit/debit cards, ACH and Real-Time Payments Request for Payment.
Carbon Footprint Analytics	This proprietary analytics tool enables clients who use paper and digital payment services to quantify and track the carbon footprint generated by the paper consumption of their treasury practice. Environmentally conscious clients can learn about the potential benefits of transitioning away from paper-based payments, as this aligns with the widening array of digital alternatives that BNY provides.

Facilitating Nature-Related Investment

Deploying our core capabilities, BNY facilitates investment instruments that empower clients to address nature and biodiversity loss and close the nature funding gap. By 2034, five of the top 10 global risks will be environmental risks, including biodiversity loss and ecosystem collapse, according to leaders at the World Economic Forum in January 2024. The COP15 framework called for mobilizing at least \$200 billion annually for biodiversity-related funding by 2030.¹²

Refinancing for Coastal Restoration and Marine Protection

We facilitate investment in marine conservation and climate change adaptation through the integrated services we provide for Blue Bonds for Ocean Conservation debt transactions. This innovative instrument for ocean financing supports island and coastal nations in the refinancing of their sovereign debt and use the money saved to create a trust that provides long-term funding for sustainable coastal economies. Funding supports projects such as marine resource protection and conservation, coral reef and mangrove restoration, eco-tourism and sustainable fisheries.

Financing for African Sustainability

For the second time in two years, BNY has provided robust market infrastructure through our innovative tri-party repo platform for the Liquidity and Sustainability Facility (LSF). Designed with the support of the United Nations Economic Commission for Africa, the LSF is focused on enabling Africa to boost liquidity in its sovereign debt and attract private investment alongside promoting responsible investment choices. In 2023, the Abu Dhabi Investment Authority (ADIA) agreed to a \$100 million repo facility with the African Export-Import Bank (Afreximbank) through the LSF and executed an initial \$50 million transaction related to a basket of seven African countries. Developed with the expertise of BNY's Clearance and Collateral Management business alongside Corporate Trust, this platform is designed to bring the benefits of a well-developed repo market to the African continent and incentivize United Nations Sustainable Development Goal-related investments, such as green bonds, in Africa.

Climate Investment in the Global South

In addition, on the back of COP28 that took place in 2024 in the United Arab Emirates, BNY was mandated as the global custodian, fund administrator and transfer agent for Alterra, a \$30 billion climate-focused investment vehicle. Alterra is the largest global private investment vehicle for climate change action and aims to steer private markets toward investments in the Global South, including access to funding.

¹² Countries search for financing to counter biodiversity crisis, UN Environment Programme, Jan. 20, 2023

TRUST

Trust and good governance underpin our central role in the financial system throughout our 240-year history.

We understand that continuously earning our clients' trust has underpinned our work over our 240-year history. We pride ourselves in our responsible governance, risk management, stakeholder engagement and transparency — and because our success is through the success of our clients and stakeholders, we share what we learn with partners along the way. We continue to evolve our approach in areas of focus, including cybersecurity, AI and data governance.

In the midst of some of the most complex times in history, resilient governance for BNY will continue to encompass the traditional qualities of stability, robust oversight and financial strength. But it will evolve as we strive to effectively navigate considerations in sustainability, drive cultural improvements within our organization, and anticipate and respond to technological change. The trust we have earned with our clients and in the broader financial system provides us with the opportunity to innovate, bring new ideas to market, and build capacity for our clients. We have the ability to operate at the systemic level — a role few other financial institutions can match. Through this role, we make money work for the world.

Through our role as a leader in the global economy, we support the following SDGs:



CORPORATE GOVERNANCE

Effective corporate governance is foundational to a prosperous, sustainable and responsible business and can profoundly impact how a company approaches its responsibilities to stockholders and other stakeholders. Strong governance practices position BNY to provide clear, transparent communication to stockholders and quality services to clients in all market scenarios, and to conduct business with excellence and integrity. BNY is committed to a corporate governance framework consistent with best practices for public companies.

Reached out to stockholders representing

65%

of company's outstanding common shares*

Approximately

73%

diverse Board on basis of gender, race and ethnicity*

91%

Board independence*,**

98%

average director attendance at Board and committee meetings*

* For additional information, see the 2024 Proxy Statement. The figures provided with respect to director diversity and independence are based on Board membership following the 2024 Annual Meeting of Stockholders.

** Director independence is determined by the Board based on our Corporate Governance Guidelines and NYSE and SEC requirements. For additional information see the 2024 Proxy Statement.

Board Oversight of Sustainability

Our Board of Directors, the Board's Corporate Governance, Nominating and Social Responsibility (CGNSR) Committee and management evaluate corporate governance developments on an ongoing basis. In doing so, they engage with stakeholder groups to identify and, where appropriate, implement changes to align with best practices as they evolve. The CGNSR Committee, which is composed entirely of independent directors, held 5 meetings during 2023.

The CGNSR Committee met with members of BNY's Executive Committee and senior-level members of the Sustainability team on a semi-annual basis during 2023. At these meetings, senior management provided the CGNSR Committee with reports and updates regarding BNY's environmental and sustainability programs. The Chair of the CGNSR Committee regularly reports to the Board of Directors regarding the topics covered by the CGNSR Committee at its meetings. In this way, the Board is kept apprised of significant developments regarding our environmental goals and strategies, monitors such developments, and is able to incorporate relevant information into its overall decision-making and strategizing processes, as appropriate. Updates are presented regarding enterprise environmental management, with a focus on environmental sustainability and climate-related goal

setting, and progress and strategy regarding our operational footprint. Other material information, such as stakeholder input and peer comparison, may also be provided.

In addition, management also held sessions, including with external experts, directly with the full Board to cover developments on sustainability matters. We also use these briefings to advance the knowledge of the Board on climate change management, regulatory developments and other sustainability topics, to keep directors current with the rapid changes in these areas.

The CGNSR Committee and the full Board are composed of members who bring a diverse set of skills, background and experience to BNY, including in the energy and utilities spaces. This deep and diverse subject matter perspective and experience contribute to the directors' exposure to, knowledge of and engagement with climate and other related sustainability matters.

Director education courses relating to sustainability are included in the regular roster of training opportunities made available to all directors, and the CGNSR Committee expects to continue to include sustainability-specific director education topics to further enhance the directors' understanding of sustainability developments and matters, including climate change.

Board Independence

Our governance framework features well-defined roles and authority for our Board of Directors, with a leadership structure involving an independent Chair, separate from our CEO, Robin Vince, who serves as the only non-independent member of the Board. Independent directors meet in executive sessions, presided over by our independent Chair, at regularly scheduled Board meetings. Our CGNSR Committee and Board evaluate this structure annually, or more frequently as needed, to help ensure alignment with the needs of the company.

Agenda and Process

Our Board has a well-established focus on long-term business strategy and resiliency, leadership, and corporate culture and performance. This foundation positioned the Board to oversee and provide insight to management on the company's response to the challenges, uncertainties and opportunities that occurred throughout 2023, including as related to our impact on our communities and society more broadly. The Board agenda throughout the year included consistent financial, operational, strategic and business-related topics, and the Board maintained a regular dialogue with management regarding its direction and action on matters related to belonging and inclusion, public policy and advocacy.

More information about our Board of Directors and Director Nomination Process is included in our [2024 Proxy Statement](#).

Strength in Diversity

The strength of our Board is a product of the diversity of our directors' experiences, backgrounds, perspectives and institutional knowledge. The Board is committed to fostering and maintaining diversity among its members. In addition to valuing diversity of viewpoints, professional experience, tenure, education, skills and expertise, the Board also seeks to include directors with diverse backgrounds, including with respect to race, gender, ethnicity and sexual orientation, to benefit from diverse perspectives. Following the election of directors at the 2024 Annual Meeting of Stockholders, 45%¹³ of our directors are women and an additional 27%¹³ of our directors are diverse on the basis of race or ethnicity. In addition, four of the six¹³ standing committees of the Board are chaired by a director who is diverse on the basis of race or gender.

¹³ See the [2024 Proxy Statement](#)

Executive Compensation

Our executive compensation program is structured to drive results over the long term. At target, 75% of our CEO's incentive compensation and generally 70% of our other senior executives' incentive compensation is delivered in equity awards, with the balance paid in cash. We pay bonuses and incentives based on performance against goals. See our [2024 Proxy Statement](#) for our full compensation discussion and analysis.

Investor Engagement

Our Corporate Governance, Sustainability and Investor Relations teams are committed to engaging regularly with our investors. We offer meetings on governance issues with top investors and track the discussions and outcomes. In 2023, our analysts and executives met with broader investor audiences in our offices and virtually. Management and investor dialogue increased as we addressed topics such as executive compensation, company strategy, corporate governance and other issues relating to our sustainability strategy.

Our management reports regularly to the independent directors regarding investor discussions and feedback to keep them informed of stockholders' perspectives on a variety of issues, including governance, strategy, climate and performance, and to enable them to consider and address those matters effectively. It has also informed the CGNSR Committee's oversight of climate-related and environmental sustainability matters and helped shape the focus of the company's initiatives and impact in a number of areas.

RISK MANAGEMENT

Social, political, environmental and financial turbulence have continued to impact economies and communities. In 2023, these included challenges such as macro geopolitical tensions, turmoil in the regional banking sector, sustained elevated interest rates in the U.S., an increasing pace and complex landscape of regulatory changes, cybersecurity threats, and the adoption of new technology, including the use of generative AI. In the face of these and other market disruptions, investors, regulators and the public alike scrutinize business operations, assessing companies' ability to navigate pressing global challenges. Markets expect effective corporate governance, strong risk management and business resiliency, as well as ethical and transparent workplace standards that enable organizations to thrive over the long term.

Our Approach

BNY plays a vital role in helping to maintain resilient global financial markets, and effective risk management is core to accomplishing that. Our customers and the financial markets rely on BNY's continued financial resiliency. We are recognized globally for our solid balance sheet, healthy risk culture and commitment to financial stability in the market environments where we operate.

Our approach to risk management includes Board and senior management oversight as well as a system of policies, limits, risk measurement, monitoring and internal controls. Our objective is to maintain a comprehensive and strong Risk Management Framework that supports strategic growth through intelligent risk-based decisions by appropriately identifying, measuring and mitigating material risks. BNY proactively supports sustainable growth, with an evolving Risk Management Framework that continues to embed the consideration, impact and management of climate-related risks.

Risk Management Principles

Our risk management principles provide a company-wide approach to effectively and appropriately manage risk. This approach includes:

- A strong risk management culture across the company
- Clear risk ownership by the businesses and corporate functions
- Comprehensive oversight by Risk and Compliance

This approach enables us to identify, monitor and manage our risks across the enterprise and provide our Board with the information needed to exercise appropriate governance and oversight. Our risk principles are foundational to our ability to achieve our strategic priorities, including scaling and digitizing our operating model, implementing sustainability and climate risk considerations into the framework, and realizing growth opportunities.

As we remain focused on cultivating a strong risk culture, we reiterate the value of adopting a commercial mindset to all employees. Leaders across the three lines of defense jointly communicate the importance of taking intelligent risks to confidently grow and innovate, which entails understanding, measuring and managing risks for the best outcome.

For example, as part of our enterprise-wide response to the U.S. regional banking crises, we took innovative business actions to navigate market volatility, guided by our ability to intelligently manage risk. Additionally, in keeping with our leading role in the growing digital assets and cryptocurrencies markets, BNY is appropriately enhancing the framework to effectively manage the unique risks and returns of these assets.

For additional information, see the Risk Management section on page 48 of our [Annual Report 2023](#).

Addressing Climate-Related Impact

BNY is committed to understanding and addressing climate-related risks that can impact the company's operations. Learn more in [Managing Climate-Related Impacts](#).

DATA ETHICS

The growing adoption of Artificial Intelligence (AI) and data-driven technologies is poised to transform the global financial ecosystem. They have the potential to improve decision-making, increase efficiency and enhance product and service experiences across the industry. BNY has developed and operated AI/machine learning-powered solutions at a significant scale for several years. More recently, the firm has begun leveraging large language models (LLMs) to power generative AI solutions.

At the same time, greater integration of AI also has the potential to accentuate certain risks. These include, for example, privacy intrusions, the risk of inaccurate, unfair or opaquely derived outcomes, and ineffective accountability structures. As a financial institution that greatly values innovation and trust, we believe in both the potential of Data and AI to support the financial system's continued evolution and the need for robust guardrails to manage their responsible use.

Our Commitment to the Responsible, Ethical Use of Data and AI

Our approach to the responsible, ethical use of data and AI is informed by external sources, including the National Institute of Standards and Technology's (NIST's) AI Risk Management Framework and through our longstanding membership of the Monetary Authority of Singapore's Veritas consortium. This approach operates at the top of our wider Data Ethics framework, and guides our practical actions:

1. **Accountability and Responsibility:** Including operating effective governance, accountability and approval structures, taking a responsible approach across the AI life cycle, providing employee training, and continuously evolving our approach to respond to the latest technological and regulatory developments.
2. **Transparency and Explainability:** Including explaining to our employees, clients and all stakeholders, in plain language, how we will use their information, operating AI systems with appropriate human oversight and making sure that decisions informed by such systems are explainable and justifiable.
3. **Privacy and Security:** Including a "privacy and security by design" approach, processing personal information only where authorized to do so, upholding privacy rights, avoiding the introduction of new vulnerabilities and working to protect data against loss and unauthorized access.

4. **Fairness and Accuracy:** Including the identification and mitigation of unfair biases throughout data and AI lifecycles to manage the risk of unfair outcomes, and operating models that are accurate to their intended purpose.
5. **Lawful and Ethical:** Including continuing to process data in a manner consistent with established laws, regulations and our data ethics policy, and in alignment with BNY's strategy, principles and code of conduct.

Responsible AI Governance in Practice

AI governance at BNY is a multidisciplinary exercise, coordinated by our Enterprise AI Hub and drawing upon the expertise of our Legal, Privacy, Data Ethics, Data Management, Information Security, and Risk and Compliance departments. Governance activities are overseen by our Enterprise AI Council, a diverse forum that includes senior leaders from these teams and Lines of Business and oversees the strategic direction and ongoing use of AI across the enterprise.

We are confident in the robustness of our guardrails to manage the responsible development and operation of AI-based systems, and in our capacity to efficiently deliver innovative and transformative solutions within this framework. Our AI governance framework practically applies our approach to Data Ethics within an AI context, while also leveraging a number of internal and external sources, including our mature Model Risk framework and NIST's AI Risk Management Framework, published in 2023.

Externally we engage with regulators in the markets in which we operate to discuss BNY's exploration and implementation of Artificial Intelligence, including Generative AI.

Industry Engagement and Partnerships

BNY has actively engaged the wider industry and our regulatory partners on the responsible use of data and AI since 2018. This complements our longer-term industry and regulatory engagement on adjacent topics, such as cybersecurity via the Financial Services Information Sharing and Analysis Center. For example, our firm has played a leading role in all three phases of the Veritas Initiative, a consortium of financial institutions convened by the Monetary Authority of Singapore to strengthen internal governance around the application of AI and the management and use of data. Our firm has contributed extensively to white papers, case studies, assessment methodologies and data science practitioner toolkits in the course of our engagement with the consortium, including the recent pilot testing of the Veritas Toolkit version 2.0. Released to the wider industry in June 2023 and developed specifically for financial services institutions, the toolkit provides practical methods and solutions across each of the Monetary Authority of Singapore's FEAT (fairness, ethics, accountability and transparency) principles.

Our AI strategy is to empower clients through scalable, trusted platforms and solutions. Because of our role in the financial markets, we have a unique vantage point that can help clients make data-driven decisions through BNY insights.

Enterprise AI Hub: Advancing AI

Formally established in 2023, our Enterprise AI Hub advances and strategically coordinates our expertise on and oversight of AI. This global network brings together the technological proficiency, insights and business acumen of data science, AI and machine learning teams from across the firm. The Enterprise AI Hub is building the platform and operating model to incubate, develop and deploy at scale across the bank, while helping to further evolve our responsible AI governance. This work is already delivering value to the organization, with more than 20 AI-enabled uses in production, enabling predictive analytics, automation and anomaly detection, among others.

AWARD-WINNING AI FOR SOCIAL IMPACT

Our talent and expertise can make a positive impact on nonprofit organizations’ ability to meet social challenges. A group of BNY employees recently demonstrated this as their new AI tool earned them a place as a finalist in Microsoft’s “Hack for Social Impact with AI” Executive Challenge, the world’s largest private hackathon. This global competition is designed to channel artificial intelligence toward humanitarian good and social change by helping communities prepare for, respond to and recover from crises. The challenge also provided a forum for our employees to apply their engineering skills on a pro bono basis to support the British Red Cross.

A team of eight employees developed the award-winning solution, an Early Warning and Monitoring System for Humanitarian Crisis Response. Another team of seven BNY employees was chosen by the British Red Cross as best product fit. An additional 100 BNY AI Hub employees dedicated more than 2,000 hours over three days to the event — earning BNY the distinction as the largest consumer participant in the 10-year history of the hackathon.

BNY’s teams, spanning different areas of the business and three continents, also worked with the British Red Cross during the competition, ultimately developing 13 tools addressing the urgent need for smarter, quicker and more efficient aid delivery.

Hacking for Social Impact with AI

100

BNY employees competed

3

continents

13

solutions developed

2,000

hours invested

Placed as a

FINALIST

MANAGING FOR THE LONG TERM

Within our own operations, we prioritize understanding and managing our environmental footprint, promoting a workplace where people can thrive, and supporting our communities — all while striving to remain a trusted partner to our clients, employees and stakeholders.

In 2023 we made strides in advancing key initiatives — we are particularly proud of the progress we have made on our environmental sustainability goals and renewed efforts toward belonging and inclusion. We continue to work towards our goals set in 2019 focusing on maintaining our carbon neutrality and decreasing our usage of natural resources, and we are focused on fostering belonging and inclusion for our staff and stakeholders. One key way we focused on inclusion was the introduction of the BK Shares program last year that provided BNY shares to qualified employees. This effort was conducted to provide employees with an ownership stake and sense of purpose and belonging to the bank.

ENVIRONMENT

Account and prepare for climate-related risks in our operations, investments and client services, and responsibly manage our operational footprint.

- [Managing Climate-Related Impacts](#)
- [Environmental Sustainability](#)

RESPONSIBLE BUSINESS

Maintain ethical operations and supply chain as we safeguard data, privacy and human rights.

- [Compliance and Ethics](#)
- [Data Privacy](#)
- [Cyber Resilience](#)
- [Supply Chain](#)
- [Protecting Human Rights](#)

PEOPLE AND COMMUNITIES

Promote a workplace and communities where people can thrive.

- [Belonging and Inclusion](#)
- [Investing in Our People](#)
- [Empowering Our Communities](#)

ENVIRONMENT

Our commitment to environmental sustainability challenges us to regularly reevaluate our goals and take action to improve our environmental footprint, manage climate-related risks and support our clients as they pursue their own sustainability objectives. As a global systemically important bank with \$47.8 trillion in assets under custody and/or administration, we have a unique opportunity to contribute to a more resilient and sustainable global financial system. One way we do this is by considering and preparing for the potentially disruptive impacts that climate risk events can have on our business and operations, which helps us to better mitigate potential second-order impacts on our clients and the financial markets. We are actively working to reduce our contribution to climate risk events by reducing the emissions associated with our operations and financing activities. We are also taking actions to reduce our impact on the environment and effectively manage our natural resource use.

By advancing the welfare of our planet, we contribute to the following SDGs:



MANAGING CLIMATE-RELATED IMPACTS

Our Approach

Climate-related risks and opportunities — and the corresponding operational, business and policy implications — have emerged as a key sustainability topic for corporations, including financial institutions. In recent years, there has been an increased focus on climate and sustainability from regulatory and supervisory authorities globally, many of which have expressed the expectation that financial institutions should consider and manage climate-related risks. At the same time, there has been growing demand from clients and investors for financial institutions to provide more products and services to support their sustainability objectives, and from stakeholders more broadly to reduce the financial sector's collective contribution to climate change.

We are uniquely positioned to support the business needs and climate goals of a wide range of stakeholders across the global financial system. Our business and environmental strategies are driven by long-term value creation and alignment to our client base and stakeholder expectations, including regulators in the countries where

we operate. As a global financial institution, we believe that it is important to operate more sustainably and reduce our contribution to climate change in a way that aligns with our business strategy and continues to support the needs of our clients and the broader economy.

Our vision is to create a more sustainable future by embedding climate considerations across our business operations, building more resilient financial systems, and supporting our clients and the financial markets as they transition to a lower-carbon economy. Our ability to achieve this vision is grounded in our measured approach to climate governance, strategy, risk management and performance monitoring. Our progress is driven by our ambition and enthusiasm to do the right thing for our clients, our communities and the environment.

The successful execution of our global climate strategy begins with good governance and support from leadership at the highest levels of the bank. Our Board of Directors shares this ambition and is responsible for overseeing our climate strategy, key initiatives and performance against our climate-related goals, targets and commitments. Responsibility for the day-to-day execution of our global climate strategy and risk management approach is delegated to our management. In 2023, we continued to make progress in evolving our global sustainability governance structure by appointing the bank's first Chief Sustainability Officer (CSO), creating a new BNY Sustainability team, and establishing new management councils to oversee the execution of our sustainability and climate strategies.

We also made progress in evolving our global climate strategy and risk management approach. We introduced new enterprise climate goals, pillars and focus areas and are working with our partners across the bank to integrate our strategy across key business lines and functions. As part of this work, we continue to explore commercial solutions and are working to reduce the greenhouse gas (GHG) emissions associated with relevant areas of our operations and lending and investment activities. Across our global real estate footprint, we continue to make progress in greening our buildings and operating our business more sustainably. We also continue to embed climate risk considerations into our business across our Three Lines of Defense and build on our climate scenario analysis capabilities.

In the sections that follow, we discuss in greater detail our approach to managing climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).¹⁴

For details see [Governance](#), [Strategy](#), [Risk Management](#) and [Metrics and Targets](#). Additional information can be found throughout this report, primarily in [Sustainable Solutions](#) or located through the [TCFD Index](#) on page 124.

¹⁴ Starting in 2024, the IFRS' Foundation's International Sustainability Standards Board (ISSB) has assumed TCFD's responsibility for monitoring the progress of companies' climate-related disclosures. We are monitoring corporate reporting against the new IFRS S2 Standard for Climate-related Disclosures and will explore future alignment as required or appropriate.

Governance

Board of Directors Oversight

Our Board of Directors oversees responsibilities for sustainability and climate-related matters. The Corporate Governance, Nominating and Social Responsibility (CGNSR) Committee is the primary Board Committee responsible for oversight of BNY's climate-related strategy, key initiatives and performance. The CGNSR Committee receives regular updates from BNY's Chief Sustainability Officer and Chief Corporate Affairs Officer on the evolution and execution of the company's global climate strategy, current and emerging regulatory requirements, and performance against the company's climate-related goals, targets and commitments. The Risk Committee of the Board is responsible for overseeing the firm's risk management framework.

The day-to-day execution of our global climate strategy and approach to managing climate-related risks is the responsibility of management, as decided by the Executive Committee (EC) and applied via our Three Lines of Defense model. Local management teams for BNY's subsidiary legal entities, where applicable, utilize this structure with specific consideration for their respective business strategy and risk profile.

Management Oversight

At the management level, we are continuing to expand accountability and stewardship of our climate and broader sustainability strategies across the organization globally. Our Chief Sustainability Officer leads the integration and execution of our global sustainability strategy and initiatives, partnering with the first and second lines of defense to manage climate-related risks and opportunities. Under the CSO, BNY's Enterprise ESG team was formally reorganized into BNY Sustainability, reporting into the Chief Corporate Affairs Officer.

The CSO and the Chief Corporate Affairs Officer provide regular updates to the Business Management and Client Committee (BMCC), a subset of the EC, on the execution of our global climate strategy. The BMCC is responsible for reviewing and approving the company's significant climate-related goals, targets, commitments and initiatives as well as monitoring the company's ongoing performance against our global climate strategy. Additionally, this committee has a mandate to consider business and client-related topics, including climate, and approve processes and tools used to understand and manage risks related to those topics. Under the BMCC, several new management groups have also been created to support the evolution, integration and execution of our global climate and sustainability strategies. We have created a new Climate Strategy Implementation Group (CSIG) that will report to the Sustainability Strategy Implementation Council (SSIC) and support the execution

of our global climate strategy through the oversight of prioritized climate-related workstreams. Oversight areas include but are not limited to: Scope 1, Scope 2 and Scope 3 GHG emissions reduction strategies and targets; climate-related reporting, disclosure and regulatory compliance; and GHG emissions measurement, data and methodologies. The CSIG is responsible for providing quarterly updates to the SSIC and has oversight responsibility over the climate-related working groups coordinated by the climate center of excellence within BNY Sustainability.

Climate impacts and related risks are identified, assessed and managed through a robust internal risk management and governance approach. Governance committees across the Three Lines of Defense review climate-related risks and escalate as appropriate to the BMCC and/or the Senior Risk and Control Committee (SRCC). The SRCC is the firm's most senior executive risk committee and the ultimate escalation point for risks, including those arising from climate change. This body and the Risk Committee of the Board are supported through independent reporting on key risks by the ESG Risk and Compliance framework. Additional formal committees and working groups also serve to provide oversight and challenge for various aspects of climate-related risks. Quarterly reporting is provided to senior management to support the governance process.

Learn more about [Sustainability Governance](#).

Remuneration

Climate and environmental sustainability considerations are integrated into the compensation framework for Executive Committee members. In the evaluation of corporate performance, one of our non-financial goal categories is “Impact & Sustainability,” which aligns to the balance between social, environment, and economy (e.g., progress on enterprise sustainability and inclusivity initiatives).

Strategy

Our Global Climate Strategy

In 2021, BNY launched its first global climate strategy. In 2023, we continued to build on our progress and further evolved our strategy to meet the expanded mandate of BNY Sustainability and our new climate-related targets. We introduced new enterprise climate goals, pillars and focus areas, as summarized below. Our global climate strategy integrates climate change as a strategic consideration in our business and operations, incorporates climate-related risk into our enterprise risk management approach, and promotes transparency through regular stakeholder engagement, reporting and disclosure.

Our vision is to create a more sustainable future by embedding climate considerations across our business operations, building more resilient financial systems and supporting our clients and the financial markets as they transition to a lower-carbon economy. We aim to bring this vision to life — and create a more resilient enterprise — through our new 2030 GHG emissions reduction strategy. We are proud to share our enterprise targets to achieving GHG emissions reductions in relevant areas of our Scope 1 and Scope 2 (location-based) operational emissions and Scope 3 financed emissions by setting targets for 2030 consistent with 1.5°C pathways.

Our approach to achieving this vision is guided by three enterprise climate goals: Support Our Clients With Sustainable Solutions, Improve Our Environmental Footprint, and Lead with Trust and Transparency. We strive to grow our sustainable offerings to assist clients in meeting their business needs and climate goals, minimize our contribution to climate change by reducing the emissions associated with our operations and financing activities, and hold ourselves accountable by operating transparently and engaging consistently with our stakeholders.

Our global climate strategy underpins these enterprise goals and is based on five core pillars and supporting focus areas that are aligned with BNY’s broader corporate strategy to Be More for Our Clients, Run Our Company Better and Power Our Culture. These pillars and focus areas provide a structured framework through which we organize our work to integrate and execute our global climate strategy within key business lines and functions. Within BNY Sustainability, we have established a climate center of excellence to engage with subject matter experts across the company in centrally managed programs, projects and working groups to drive progress toward our climate-related goals, targets and commitments in line with our strategy.

BNY's Global Climate Strategy

VISION

To create a more sustainable future by embedding climate considerations across our business operations, building more resilient financial systems, and supporting clients and financial markets as they transition to a lower-carbon economy

ENTERPRISE GOALS

Support Our Clients with Sustainable Solutions

Improve Our Environmental Footprint

Lead with Trust and Transparency

PILLARS

Enterprise Integration

Climate Risk Management

Supporting Our Clients

Sustainable Operations

Leadership and Accountability

FOCUS AREAS

Global Governance
Strategic Execution
Transition Planning

Enterprise Risk Management
Scenario Analysis
Resiliency Planning

Sustainable Portfolios
Sustainable Client Solutions
Client Enablement

Green Buildings
Renewable Energy
Supply Chain Sustainability

Reporting and Disclosure
Industry Engagement
Stakeholder Engagement

ENABLERS

Culture

Training

Data

Enterprise Integration

We will continue to establish clear oversight, accountability and stewardship of our global climate strategy across the organization, and work to integrate and execute our strategy across key business lines and functions. We will plan for a more sustainable future by identifying the actions we can take to minimize our contribution to climate change and building a road map for implementation.

Climate Risk Management

We will continue to embed climate risk considerations into our business across our Three Lines of Defense by leveraging risk frameworks, including our risk appetite, client due diligence, business acceptance and other risk tools. We will continue to build our scenario analysis capabilities to better understand the potential impacts of climate risk on our business and operations over the short, medium and long term, and we will continue to support the continuity of our business and operations by identifying and mitigating potential physical climate risk impacts.

Supporting Our Clients

We will continue to engage with our clients to better understand their plans to transition to a lower-carbon economy and provide them with financing, data solutions and advisory services to meet their business needs and climate goals. We will work to reduce the emissions

associated with our financing activities through approaches that balance our business strategy with the needs of our clients and the broader economy. Learn more in [Sustainable Solutions](#).

Sustainable Operations

We will continue to operate our buildings in a way that increases energy efficiency and reduces the emissions associated with our energy consumption. We will continue to procure energy from renewable and non-emitting sources both on- and off-site, and offset the residual emissions from our operations that cannot be otherwise abated through our own emissions reduction initiatives. In addition, we will work to engage with our suppliers to encourage more sustainable business practices across our supply chain. Learn more in [Environmental Sustainability](#).

Leadership and Accountability

We will continue to hold ourselves accountable by transparently reporting on our progress and engaging with our peers to advance industry best practices. We will also continue to engage with our regulators, shareholders, clients and communities to build trust, meet regulatory requirements and address their sustainability expectations.

Enablers

Three key enablers support the execution of our global climate strategy across our focus areas:

Culture

We seek to embed climate in our corporate culture as a key consideration in how we can run our business more sustainably and encourage our employees to make more sustainable choices to reduce our collective contribution to climate change.

Training

We seek to build climate competencies throughout our workforce and equip our employees with the information they need to support our clients and collaborate across the company to address the climate-related risks and opportunities in front of us.

Data

We seek to provide our leadership and workforce with the tools and data they need to drive decision-making, execute our global climate strategy, and monitor performance against our climate-related goals, targets and commitments.

Climate Risk Management

Management Approach to Climate-Related Risks

BNY continues to consider climate, environmental and other social and governance risks as potential risk drivers impacting financial risks (such as Credit, Market and Liquidity Risks), non-financial risks (such as Operational and Strategic Risks) and interconnected risks like Reputational Risk. We recognize the importance of understanding material risk drivers and vulnerabilities and are committed to addressing potential internal and external sources of risk.

Our approach to climate risk management is consistent with BNY's Enterprise Risk Management Framework and aims to incorporate the following elements:

- Risk identification and materiality assessment
- Risk appetite
- Financial and nonfinancial risk assessment and management processes
- Risk mitigation
- Scenario analysis
- Enterprise resiliency
- Risk measurement and reporting

- Risk governance
- Training and education

Our climate risk driver assessment incorporates risks arising from two primary sources, physical risk and transition risk, which are defined as follows.

Physical Risk. This involves risk resulting from climate-related events and includes both acute and chronic effects.

- Acute Physical Risk – Results from extreme weather and climate-related events such as storms, flooding, wildfires, heatwaves, droughts and hurricanes where the likelihood and intensity of such events is increasing.
- Chronic Physical Risk – Includes longer-term shifts in climate patterns, such as rising mean temperatures, rising sea level, water stress, degradation or limitations on resource availability (e.g., labor, natural resources).

Physical risk may result in damage to physical premises and infrastructure (of BNY, our clients or other stakeholders), impact on operations, disruption to service providers, availability of resources and supply chain disruptions.

Transition Risk. This refers to risks associated with the transition to a lower-carbon economy. These risks include fiscal policy, legislation, technological development, and investor and consumer sentiment changes that may impact the strategic, financial, legal, operational and reputational risks of the firm.

The transmission channels through which these risk drivers manifest and potentially impact BNY are influenced by multiple factors, including our business model and commercial offerings, footprint locations, clients, sectors, geographies, supply chain and other constituents.

Management of climate-related risk is implemented in line with the Three Lines of Defense model of our Risk Management Framework. The first line of defense is the business. Each business owns the risks associated with its activities and manages the related control processes and procedures responsible for identifying and mitigating all risks, including climate risks. As the second line of defense, Risk and Compliance is responsible for supporting, reviewing and challenging the first line and has responsibility for the design and implementation of the global risk framework. The third line of defense, Internal Audit, provides independent review of implementation. Various governance committees and structures across the Three Lines of Defense are in place to manage climate-related risks, and quarterly risk reporting is provided to senior management.

Risk Management Time Horizons

From a risk management perspective, these climate-related risks are currently considered across multiple time horizons that best reflect our risk profile. These time horizons are defined as:

- Short term (0-3 years) risks that are observed to be present now and within the immediate planning horizon
- Medium term (4-10 years)
- Long term (11+ years)

We recognize that time horizons noted above for the assessment of climate-related risk are much longer than accepted industry standards for risk modeling. The approach taken reflects BNY's business model and commercial strategy, in that most term lending is typically less than 10 years in duration; however, risk impacts are assessed across all time horizons.

We have developed a suite of climate-specific risk assessment tools and processes to enable the identification, assessment and management of climate-related risks that incorporate a longer-term view of risk.

Regulatory Landscape

As the global regulatory framework for climate and ESG disclosure and risk management practices continues to evolve, we continue to evaluate the impacts of new regulations on our business and operations. BNY is subject to climate regulations and regulatory guidance that have been adopted in many of our core operating jurisdictions across the globe, with others expected to propose or adopt requirements in the coming years. Regulations within individual jurisdictions are further supported by guidance and principles, including those by many supranational regulatory agencies such as the Basel Committee and the Financial Stability Board, both of whom have published principles and guidance supporting design of effective risk management approaches.

Applicable regulatory consultations, guidance and final requirements are captured and managed through BNY established regulatory change process. While each regulatory or policy-making body has its own specific nuances, many of the regulations share key themes. Fundamental to risk management are strong foundational processes that allow firms to identify, measure, mitigate and manage their risks over time.

We continue to enhance and evolve our risk management frameworks, which includes consideration of applicable regulatory requirements and guidance. These frameworks incorporate a holistic climate risk management approach

where metrics and reporting reflect the risk profile. In support of day-to-day management of climate-related risks, new or updated tools and processes are implemented where relevant.

Climate Risks Identification, Assessment and Materiality

Leveraging the BNY risk identification process, our approach is to perform climate-related risk assessments complementing risk type assessments and considering primary potential transition and physical transmission channels. Identified risks are assessed both quantitatively and qualitatively in order to determine whether a risk is material. Both metrics and expert judgement are used to determine the impact of climate-related risks in the short, medium and long term. Determination of materiality is linked to the Enterprise Materiality Framework and applied consistently with other risks.¹⁵ Regardless of whether a risk is deemed material at this stage, risk types are monitored through reporting and dedicated risk assessment tools so that both aggregate and idiosyncratic risks are understood and mitigated as appropriate.

¹⁵ See "Materiality" and "Approach to Disclosures" for more information on our use of the words "material" and "materiality" in this report.

Climate Risk Driver Assessment

In 2023, BNY further developed a climate risk driver assessment to enhance the approach to identify and assess impacts from climate. The climate risk driver assessment requires relevant businesses and legal entities to perform the following:

- Determine if any key business activity could be impacted by climate-driven risks (details around climate-related risks and transmission channels)
- Assess identified risks to determine if a risk is material
- Assess current mitigants and controls in place and identify any gaps
- Identify additional processes and/or controls to mitigate impactful climate-related risks
- Develop relevant reporting metrics/key risk indicators

Outputs from the assessment are used to:

- Provide input into other enterprise-wide risk processes (e.g., risk identification, risk appetite, scenario analysis) as required
- Develop any new mitigants, controls, processes and metrics
- Support business and risk decisions

In most cases, we provide clients with a range of services that facilitate their financial activities but do not typically directly provide committed or term funding. As such, balance sheet risks are relatively low in comparison to other banks with long-term lending portfolios or those that engage in extensive traditional corporate or retail banking, or trading activities. Based on the current assessment of materiality, and considering our relatively low exposure to direct credit or market risk, financial risks remain contained at present. Strategic and reputational risks have the potential to become increasingly relevant such that decisions made today could lead to material impacts in the future. We continue to assess the impact to BNY of these risks.

Risk Measurement for Key Risks

The development of quantitative tools to understand potential areas of vulnerability supports BNY in developing appropriate reporting and action plans to mitigate identified risks. Classification of sectors to identify those industries that are more generally susceptible to climate risks, both physical and transition have been implemented. These measurements allow management to focus on businesses and products that are most likely to impact clients in sectors with elevated risk.

Risk Type	Description	Physical and Transition Climate Risk Examples	Key Highlights	Key Metrics
Strategic Risk	<p>The risk arising from adverse business decisions, poor implementation of business decisions or lack of responsiveness to changes in the financial industry and operating environment</p> <p>Strategic and/or business risks may also arise from the acceptance of new businesses, the introduction or modification of products, strategic finance and risk management decisions, business process changes, complex transactions, acquisitions/divestitures/joint ventures and major capital expenditures/investments and deviations from revenue and/or expense targets</p>	<p>Impact on operational resilience through physical events, in turn impacting ability to deliver on strategic objectives</p> <p>Ability to deliver on existing strategy and maintain profitability as part of climate transition</p> <p>Adverse publicity from interactions with clients, activities or vendors who themselves attract negative attention</p> <p>Loss of business due to failure to meet investor and client expectations around climate risk considerations</p> <p>Inability to attract or retain staff, or impacts on client relationships, due to a failure to maintain a suitable climate-related strategy</p>	<p>Strategic/Business Model Risk Assessment highlights key risks relating to potential strategic and reputational impacts from interactions with external parties (mostly clients) who are subject to substantial negative press and/or controversies, as well as risks relating to inadequate product development by BNY to satisfy stakeholder requirements</p> <p>ESG Business Appetite Framework, a new client assessment approach to capture banking-related clients most likely to have an impact on, or be impacted by broader sustainability factors, including climate</p> <p>New product approval process incorporates climate risk considerations</p> <p>Annual employee survey conducted to assess internal expectations on ESG-related actions</p>	<p>Value of revenue derived from clients in industries with high carbon-weighted intensities</p> <p>Employee satisfaction on BNY efforts to address ESG topics</p>

Risk Type	Description	Physical and Transition Climate Risk Examples	Key Highlights	Key Metrics
Operational Risk	The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes compliance, regulatory, legal, third-party and technology risks, among others	<p>Additional operational losses as a result of increased severity of physical disruption events</p> <p>Losses due to resilience implications of physical impacts on internal, inter-affiliate or other third-party failures</p> <p>Litigation and/or loss of business resulting from a failure to achieve stated objectives, misreporting or fiduciary requirements/expectations</p> <p>Failure to identify, manage or understand regulatory requirements leading to non-compliance with applicable regulation</p> <p>Losses from sudden policy or regulatory changes that impact markets</p>	<p>Operational risk processes incorporate consideration of all potential drivers of risk, including climate change. These processes are leveraged to ensure that risks are appropriately identified, controlled and managed as required</p> <p>Compliance regulatory change management process is in place, tasked with monitoring that legal and regulatory requirements, including emerging climate-related requirements, are identified and acted upon</p> <p>The Risk and Control Self-Assessment (RCSA) process and management of operational resilience processes are used to evaluate each of our sites across the globe and the adequacy of business resiliency explicitly considering weather and environmental impacts</p> <p>Measurement of premises risk uses two key historical loss metrics: the number of observed events that could have led to an operational risk event, and the combined losses for the period due to weather events</p> <p>Assessment of third parties includes consideration of the physical and reputational risks of the vendor, focusing on the geographical location of vendors, where, for example, data is stored, consideration of the resilience capabilities of the vendor and any recorded resilience-related issues</p> <p>Enhancements across multiple second line of defense policies include aligning marketing materials with regulatory scrutiny</p>	<p>Number and dollar value of losses associated with operational risk events recorded due to weather-related causes</p> <p>Number of incidents recorded due to weather-related causes and any impacts</p> <p>Percentage of employees located in physical locations identified as being of potentially higher risk</p> <p>Number of third parties with higher physical and reputation risks</p>

Risk Type	Description	Physical and Transition Climate Risk Examples	Key Highlights	Key Metrics
Credit Risk	The risk of loss if any of our borrowers or other counterparties were to default on their obligations to us. Credit risk is present in the majority of our assets, but primarily concentrated in the loan and securities books, as well as foreign exchange and off-balance-sheet exposures, such as, letters of credit and securities lending indemnifications	<p>Key vulnerabilities due to both physical and transition risks may exist in relation to exposures to:</p> <p>Direct credit provision or the purchase of assets issued by corporates operating in industries or geographies vulnerable to structural change or physical risk events</p> <p>Impacts on collateral valuations due to physical events or changes in market demands for assets used to support commercial and residential real estate portfolios that are currently located entirely in the United States</p> <p>Holding of corporate bonds within the portfolio of assets held by BNY to support liquidity management, whose valuations may be impacted by physical or transition risks</p>	<p>Credit Underwriting Submission Procedure and Credit Risk Management Framework Policy updated to include climate risk factors</p> <p>Climate analysis has been added to Credit Underwriting analysis templates, for in-scope transactions, the “Borrower Description” section to embed evaluation of primary credit risks associated with counterparties</p> <p>External data sources utilized to supplement assessments of companies, identify material risks and opportunities for each industry/ sector</p>	<p>Value and percentage of in-scope credit portfolio in high and moderate carbon-intensive sectors/geographies</p> <p>Weighted Average Carbon Intensity (WACI) to monitor climate risk-related concentrations in the credit and investment portfolios</p>
Market Risk	The potential loss in value for the BNY financial portfolio caused by adverse movements in market prices of foreign exchange, fixed-income and equity assets, credit spreads, commodities and liabilities accounted for under fair value and equivalent methods	<p>Losses driven by changes in market risk factors from systemic market changes in case of climate events</p> <p>Losses driven by changes in market risk factors from systemic market changes in case of changes in market perception of future profitability for underlying issuers of positions held on-balance-sheet by BNY</p>	To facilitate monitoring of market risk, BNY makes use of the Network for Greening the Financial System (NGFS) scenarios and transposes these into a point-in-time sensitivity. This point-in-time assessment translates the short-term impacts of the most volatile scenario (typically the early policy scenario) into an immediate impact on market risk positions	Trading Book and Banking Book fair value stress loss based on a designated NGFS climate scenario

Risk Type	Description	Physical and Transition Climate Risk Examples	Key Highlights	Key Metrics
Liquidity Risk	The risk that BNY cannot meet its cash and collateral obligations at a reasonable cost for both expected and unexpected cash flows, without adversely affecting daily operations or financial conditions. Liquidity risk can arise from cash flow mismatches, market constraints from the inability to convert assets to cash, the inability to raise cash in the markets, deposit run-off or contingent liquidity events.	<p>Changes in value of corporate bonds within the portfolio of assets held by BNY to support liquidity management whose valuations may be impacted by physical risk events or market changes in perception of value.</p> <p>Outflows of cash due to client demands following physical risk events</p>	<p>Climate-related impacts have been assessed as being immaterial in the context of managing overall liquidity risk. Assessment of potential liquidity risks are considered as part of processes supporting risk identification and the development of liquidity stress tests.</p> <p>Assessments of key potential outflows and fair value shocks to the high-quality liquid assets portfolio due to both physical and transition risks are considered over a time horizon consistent with typical liquidity risk scenarios. The results of these scenarios are many orders of magnitude lower than those used for business-as-usual liquidity risk management and hence are not currently considered as part of ongoing liquidity risk management.</p>	Stress impact on liquidity metrics based on a designated NGFS climate scenario

The metrics described above have continued to evidence low overall impacts from climate, relative to other drivers of risk.

For nonfinancial risks:

- Consistent with prior years, we experienced a small number of weather-related internally reportable operational risk events in 2023. None of these resulted in any material operational losses.
- Based on our ongoing assessment of vendor risk, we have identified a small number of our critical vendors who provide services from locations that may be subject to higher climate-related risk. Our vendor due diligence and risk management processes continue to be enhanced to capture climate and broader ESG-related implications. We continue to monitor our vendor population and apply enhanced due diligence and appropriate decision-making as required.
- No climate-related strategic or reputational events had an observed material impact on BNY's financial performance during 2023.

For financial risks:

- Credit risk-generating assets in sectors at higher risk of physical and/or transition risks make up around 6% of total BNY lending assets. However, across all lending activities, the corporate loan book has a higher relative concentration in climate sensitive sectors, as of December 31, 2023. Sensitivity analysis on these portfolios, as described in the following section, demonstrated limited financial impacts.
- Market risk point-in-time shock results are run for both the Trading Book and Banking Book using NGFS scenarios, and results are reported daily and quarterly respectively. Since the scenarios were implemented, climate-change related scenario impacts have been within limits and have smaller effects than other scenarios used for market risk management.
- Liquidity risk scenarios are estimated as part of the liquidity risk identification process. The impact of climate-related scenarios applied have not been significant relative to other liquidity risk drivers.

Scenario Analysis Approach

In 2022, BNY developed severe but plausible sensitivities to assess the quantitative impacts of single-factor movements on specific products, portfolios and key processes at the global consolidated level. A range of climate-related sensitivities were developed based on the NGFS (Phase III) to explore vulnerabilities to physical and transition climate risks and to understand the climate-related impact on each risk type. The exercise demonstrated limited financial impacts in a range of sensitivities. However, it has highlighted the complexity of climate risk modeling and the need for expansion of existing modeling capabilities to explore longer time horizons and climate-specific drivers.

Proof of Concept Climate Scenario Analysis

BNY's climate scenario analysis approaches were further developed in 2023 by completing a proof of concept climate scenario analysis based on the Federal Reserve Board's (FRB) pilot climate scenario analysis exercise. BNY was not in scope for the FRB pilot climate scenario analysis exercise; however, the purpose was to explore gaps in current capabilities, methodologies and data and help build out internal competencies. The analysis was completed in partnership with a third-party expert, drawing on their proprietary climate physical risk model along with our own credit risk models to understand the implications of different climate scenarios on our credit risk profile.

Through this proof of concept, we assessed the impact of various climate-related risks of our residential and commercial real estate portfolios, including flooding, wildfires, hurricanes and windstorms. These risks could impact property values and the ability of borrowers to service their loans. Our analysis indicates an immaterial financial impact of physical risk on our real estate portfolios in the one-year timeframe. In relation to risks associated with the transition to a lower-carbon economy, our analysis indicates a minor financial impact of transition risk on our real estate and commercial lending portfolios, predominantly through macroeconomic impacts, as well as country-specific policies that may be introduced to meet net-zero targets. We continue to evaluate and evolve our approach to scenario analysis, including based on the Fed's insights from its pilot exercise.

Controls and Mitigation

Key processes and tools for managing climate-related risks include the following:

Risk Appetite

Climate-related risks are defined as risk drivers impacting the majority of enterprise risk categories outlined in the Risk Appetite Statement. The Risk Appetite Statement incorporates a dedicated section requiring all staff to consider climate-related risk impacts as part of ongoing risk assessment and management across all risk types. In general, the current approach to setting of risk appetite does not involve the setting of separate limits and associated thresholds against any risk drivers, including climate risk. As a potential cause of adverse impacts, a climate-related event could increase the chance of a limit breach across any risk category, whether financial or nonfinancial. On that basis, minimizing risk concentrations and assessing, monitoring and managing risk is key. As a result, risk appetite limits in place at the risk category level should capture the impacts of all risk drivers, including climate.

Policies

BNY has embedded climate-related risk considerations into relevant second line of defense corporate policies. Each of these policies establishes a requirement for climate risk to be considered within all applicable risk management processes, which may include those relating to risk identification, risk assessment and quantification. These include risk-based assessments of clients, counterparties, third-party providers and partners, products, services and businesses; risk mitigation; and risk reporting.

Reporting and Monitoring

BNY has defined key risk indicators that are used as part of monitoring and management of climate-related risks. A Climate Risk Report is produced quarterly and provided to senior management, including the Senior Risk and Control Committee, for use in periodic review, monitoring and management of climate-related risks. This reporting is also produced for applicable legal entities across BNY. Reporting considers metrics referenced and serves as a monitoring tool to manage the aggregate risk profile.

Due Diligence

In addition to identifying specific climate risk-related vulnerabilities and ongoing monitoring of exposures in these categories, several due diligence and governance processes have been developed for activities that may have climate-risk implications. These include Third-Party Risk, New Client ESG Assessment, as well as New Product and Process Approvals as detailed below.

Third-Party Risk

Given dependencies on third parties, it is necessary to understand how climate-related risks manifest to inform relevant risk owners and identify opportunities to mitigate. Assessment includes a consideration of the applicable physical and reputational risks of a vendor, focusing on its geographical location. The approach will evolve further in 2024 and include more targeted due diligence leveraging enhanced reporting, raising awareness of risks, and supporting the decision-making process through the third-party engagement life cycle.

Strategic/Business Model Risk Assessment

Assessment of strategic/business model risk considers the potential climate-driven effects on the overall viability and profitability of the business model. Strategic/Business model risk analysis focuses on the potential for systemic changes in markets, competitive environment, client preferences and/or other general structural changes to challenge our ongoing business model.

New Client ESG Assessment

We have implemented a client risk assessment to review new banking-related clients against ESG-related information and other assessments. External data sources, coupled with internal governance and experience, are utilized to conduct the assessments. This is a proactive risk management tool to minimize potential strategic and reputational risk impacts.

New Product and Process Approvals

Effective development of new products and businesses involves a dedicated risk management approach comprising an assessment of a range of relevant risks. Within these processes, climate-related risks are specifically considered as part of the development process to ensure that transitional impacts from changes in client or market expectations are factored into the development process. In addition, the Strategic/Business Model Risk Assessment approach considers broader implications where a failure to develop products aligned with client requirements takes place, as well as mitigations relevant to address the risk.

Training and Education

To support the implementation of our Climate Risk Framework and embed governance oversight responsibilities, we deliver ongoing climate-risk education to various groups across all Three Lines of Defense in the enterprise, boards and other relevant governance forums. The training encourages participants to lead by example and set the tone to support a culture that institutionalizes appropriate climate risk management behavior. Ongoing training is performed as part of the rollout of new risk management tools and processes to applicable first and second line of defense teams.

Climate-Related Enterprise Resiliency

Enterprise Resiliency Planning

Our enterprise resiliency strategy, aimed at developing and sustaining the capabilities necessary for maintaining or quickly resuming operations in the face of business disruptions and threats, is a critical component of our climate and overall business strategy. Our Enterprise Resiliency Office is responsible for aligning, centralizing and integrating our resiliency disciplines and capabilities to deliver a coordinated approach to Incident and Crisis Management, Business Continuity and Disaster Recovery.

As a global institution, BNY is exposed to unforeseeable and uncontrollable events that could cause varying degrees of disruption to normal business processes. These types of events include the potentially disruptive impacts from acute and chronic physical climate risk events such as extreme weather (e.g., hurricanes, floods, wildfires), heatwaves and sea level rise. Our Enterprise Resiliency Office maintains a Business Continuity Program focused on designing and building response capabilities to navigate these business disruptions. The Business Continuity Program is implemented through an “all-hazards” planning approach with objectives that include minimizing the impact of disruptions and facilitating service continuity within recovery time objectives and based on prioritization of business objectives and operations, regardless of the cause of the disruption. See our [Annual Report 2023](#) for further information on our overall approach to Enterprise Resilience.

Mitigation and Adaptation

BNY recognizes that our operational and inherent risk exposures may increase due to disruptive weather patterns and events. The increasing frequency and severity of climate-related events may challenge the resiliency of our business and require additional compensating controls and methods to counter. Responses to these events have implications for operational stability and, more broadly, the reputation of the industry. Given our global footprint, we are committed to managing and monitoring potential climate-related impacts through our resiliency planning, which helps prepare us to maintain business continuity across geographies in the face of climate-related disruptions.

As part of our resiliency planning, we consider the following potential climate-related impacts on our business and operations:

- Chronic sea level rise in areas where BNY has a significant number of employees
- Increased frequency and severity of natural disasters and the potential social, economic and political instability that could result from these challenges
- Increased stress on public utilities, which is often exacerbated by growing demand and the impacts from storms and natural disasters

BNY incorporates climate risk management strategies into our operational controls and works to mitigate these risks and challenges by taking steps that aim to maintain

business continuity, such as:

- Exercising geographically distributed workforce balancing strategies, in the event of wide-area disruptions
- Geographically diversifying our physical locations, including office facilities and data centers, to minimize concentrated exposure and proximity to climate-related risks and other physical risks
- Incorporating backup systems in technology and data centers
- Hardening our physical locations to better endure physical damage caused by natural disasters and extreme weather events through flood planning and in some instances, hydro barrier installation, the elevation and relocation of electrical systems, the installation of additional pumping equipment and the installation of backup power generation
- Maintaining appropriate engagement with government agencies in jurisdictions where we have a physical presence to facilitate timely exchange of relevant notifications and other emergency management information

BNY's Incident and Crisis Management team, working together with others in our Enterprise Resiliency Office and throughout the organization, regularly monitors for incidents that could result in a disruption, including the climate-related natural disasters highlighted above. This monitoring aims to limit potential impact and disruption by supporting a timely response to, and effective management of, these types of incidents.

We continuously evaluate potential emerging impacts and develop corresponding appropriate actions as the operation implications of climate change evolve. Looking forward, we plan to complete additional risk and scenario-based resiliency assessments of our real estate portfolio for higher risk locations to identify potential emerging climate risks related to our physical infrastructure. We will continue to review and update our internal resiliency plans and policies as necessary to address potential risk assessment findings, including those related to the construction of new spaces, specific geographic analysis approaches, backup power generation systems, flood hardening and existing equipment maintenance procedures.

Metrics and Targets

As part of our enterprise climate goals, we are working to improve our environmental footprint and minimize our contribution to climate change by reducing the emissions associated with our operations and financing activities. We strive to build on our long-standing reputation as one of the world's most trusted financial institutions by continuing to hold ourselves accountable, operate transparently, and

engage openly and consistently with our stakeholders to communicate our progress. Accordingly, we use several climate-related metrics and targets to measure, monitor, and manage our performance against on global climate strategy. Our targets cover our operational emissions, focusing on our Scope 1 and Scope 2 (location-based) emissions. For the first time, we have also set targets to cover our Scope 3, Category 15 financed emissions. Additional details about our targets and emissions reduction strategy can be found in the sections that follow.

Our 2030 Emissions Reduction Strategy

BNY Sustainability engaged with subject matter experts from across key functions and lines of business to identify a more ambitious emissions reduction strategy that balances our climate and business strategies with the needs of our clients and the broader economy. In 2023 we published our strategy to achieve GHG emissions reductions in relevant areas of our Scope 1 and Scope 2 (location-based) operational emissions and Scope 3 financed emissions by setting targets for 2030 consistent with 1.5°C pathways. This approach reflects our commitment to prioritize resiliency and sustainability across our business and operations and help our clients meet their own sustainability goals.

Operational Emissions

Operating sustainably is a core component of our global climate strategy and a key driver of our performance

against our 2030 emissions reduction targets. To achieve sustained progress, we are working to increase the energy efficiency of our buildings, procuring 100% of electricity from renewable sources, investing in on-site renewable power generation, and offsetting any residual emissions from our operations that cannot be otherwise abated through our own emissions reduction initiatives.

Measuring Our Operational Emissions

BNY currently measures and reports on our operational emissions, including our Scope 1, Scope 2, and Scope 3, Category 6 (business travel) emissions. BNY's operational emissions are primarily driven by the power, heating and cooling needs of our buildings and data centers. Scope 1 emissions include those generated on-site from sources that are owned or controlled by our company, such as central boilers used for heating. Scope 2 emissions include those generated off-site in the production of energy consumed on-site. Scope 2 electricity emissions represent the largest share of our operational emissions. We also continue to monitor Scope 3 emissions from our value chain activities and include Scope 3, Category 6 (business travel) in this report.

Prior to 2023, BNY focused on business travel data for employees based in the United States and the United Kingdom. In 2023, BNY began to calculate business travel emissions for all employees globally. We have updated our calculation methodology to provide a more accurate quantification of business travel emissions for the enterprise. BNY's boundary for Scope 3 business travel

includes travel (air, rail, car rental, and hotel) that is booked through a third-party corporate business travel platform. Local business travel that is not booked through the third-party corporate business travel platform is excluded from the final calculation. As a result of this methodology change, our Scope 3, Category 6 emissions have increased year over year when compared to calendar year 2022 data.

BNY's Operational Emissions* (metric tonnes of CO₂e)

Emissions (mt CO ₂ e)	2018	2019	2020	2021	2022	2023
Scope 1	8,005	8,102	5,919	6,214	7,520	7,147
Scope 2 Location-Based	142,152	130,205	107,972	89,671	94,371	96,117
Scope 2 Market-Based	2,485	3,397	2,440	1,974	1,450	1,289
Scope 3 Category 6 (Business Travel)	17,194	14,605	2,259	1,219	6,450	19,825

* Absolute emissions are measured in metric tonnes of carbon dioxide equivalent (mt CO₂e). All values are rounded to the nearest whole number.

New In 2023: Scope 1 and Scope 2 (location-based) Emissions Reduction Target

We have been working to reduce our Scope 1 and Scope 2 (location-based) GHG emissions by 20% by 2025 relative to a 2018 baseline, in line with the Paris Agreement and consistent with a maximum global average temperature rise of 2°C. By 2020, we achieved greater than a 20% reduction in our Scope 1 and Scope 2 (location-based) GHG emissions and have maintained or exceeded our reduction target in every year since, with a cumulative reduction of 31% as of year-end 2023.

During 2023, we conducted additional analysis and identified a more ambitious target aligned with the latest climate science and consistent with a maximum global average temperature rise of 1.5°C. Based on that analysis, we have set a new 2030 target to reduce our Scope 1 and Scope 2 (location-based) GHG emissions by 50% relative to a 2018 base year, as summarized in the table below.

BNY’s Scope 1 and Scope 2 (location-based) GHG Emissions Reduction Target

Target year	Base Year	Baseline (mt CO ₂ e)	Target Reduction	Temperature Alignment
2025	2018	150,157	20%	Well Below 2°C
2030	2018	150,157	50%	1.5°C

Approach to Emissions Reductions

During 2023, we advanced many initiatives aimed at minimizing resource use, reducing our emissions and operating more efficiently. We remain on track to continue to meet or exceed our Scope 1 and Scope 2 (location-based) GHG emissions reduction target of 20% by 2025, including data centers, relative to a 2018 base year.¹⁶ In 2023, we experienced a small uptick in emissions over the previous year primarily as a result of data center energy use and somewhat more carbon-intensive utility grids in several locations. Broader reductions in our Scope 1 and 2 GHG emissions are generally the result of operational energy-efficiency projects, changes in our real estate footprint and changes in electricity grid emissions intensity. Energy-related upgrades, such as investments in real-time energy meters and software, building controls, high-efficiency heating and air conditioning systems, and planned solar PV installations, have and will continue to further reduce our emissions.

Green Building Expansion

As part of BNY’s broader efforts to improve operational effectiveness, we have identified strategic growth locations, and continue to invest in those properties. We believe these investments can lead to an improved employee experience, better client service, and more focused and efficient building infrastructure. Intentionality and vision for these locations creates opportunity for long-term thinking around our impact and environmental sustainability.

Our People. We look to create office experiences within vibrant work environments, aiming to amplify collaboration, and expand career development paths.

Our Clients. Our commercial focus and investments in centralized locations will create a more consistent environment, and will add value through the collaboration and improved experience.

Our Communities. Investing in local infrastructure will help to build regional pipelines of top, diverse talent. Increased presence will help foster deeper relationships with local universities, public officials and clients.

Our Footprint. Efficient building systems take thought and time to build. Focusing on centralized equipment, innovation, and infrastructure that we more fully own or control will help drive resource use efficiencies. Sustainability certifications achieved and anticipated across our locations are a reflection of sustainability investments.

Our operational footprint is primarily composed of commercial real estate and data centers, which drive our Scope 1 and Scope 2 GHG emissions. Investing in our infrastructure represents an opportunity to improve our environmental impact. We consider the development of new buildings and major renovations an opportune time to advance sustainability. We incorporate sustainable design and construction guidelines to advance sustainability and wellness in the development of new buildings and major renovations. These guidelines consider the inclusion of leading third-party green building certifications, including the U.S. Green Building Council’s LEED (Leadership in Energy & Environmental Design) certification, 59% of our real estate portfolio square footage bear this or other certifications, such as U.S. EPA’s ENERGY STAR®, and international standards, such as ISO 14001 and BREEAM.

In addition to making general investments in energy efficiency, we consider the more holistic view of green

¹⁶ While BNY’s underlying methodology remains consistent in 2023, we transitioned our emissions reporting platform to Envizi.

building certifications, the criteria for which consider various dimensions of design beyond resource efficiency. In recent years we have made significant progress and/or completed major moves and site renovations in several locations. In 2023, our new site in Wroclaw, Poland, achieved LEED Platinum certification, and we anticipate achieving WELL Platinum for that facility as well. We also have major renovations underway in Pune, India, where we anticipate LEED Platinum, and Pittsburgh, PA, where we anticipate LEED Gold.

Data Center Efficiency

Given the increasing digital nature of our operations and services, data centers account for approximately 47% of the electricity used by BNY globally. As a critical component of our emissions reduction strategy, we continue our efforts to reduce data center-related energy use. In our daily management of the enterprise data centers, the power usage effectiveness (PUE) is monitored to assess facility efficiency. During 2023, we completed our program to replace a large portion of the cooling systems at our largest data center with units that are approximately 15% more efficient.

100% Renewable Energy

In 2023, 100% of the electricity used to power our global locations, including our data centers, was backed by renewable sources. This was largely achieved through the use of Renewable Energy Certificates (RECs), which are widely accepted, market-based legal instruments that convey the environmental attributes of renewable energy generation and use.

Nine Years of Carbon Neutrality

In 2019, BNY committed to maintain carbon neutrality annually through 2025 for our Scope 1 and Scope 2 GHG emissions (including our data centers) and Scope 3, Category 6 (business travel) emissions through a combination of real emissions reductions and the use of RECs and carbon offsets. We achieve carbon neutrality in our operations through a three-part approach:

- Reducing our energy use and related GHG emissions through energy-efficiency investments, as described above
- Procuring RECs in markets as close to the point of use as feasible
- Purchasing carbon offsets focused on a combination of renewable energy financing, resource conservation and carbon sequestration initiatives to compensate for any remaining emissions in our footprint that cannot otherwise be eliminated through energy efficiency investments and renewable energy procurement

As of year-end 2023, we successfully achieved carbon neutrality in our operations for nine consecutive years, as detailed in the table below.

Our Approach to Maintaining Carbon Neutrality in 2023

Carbon Neutrality	2023
Total Electricity Consumption Megawatt Hours (MWh)	237,415
Total Purchased RECs, Guarantees of Origin (GOs) and other renewable electricity instruments (MWh)*	241,377
Total Scope 1 + Scope 2 (Market-Based) + Scope 3 (Business Travel) Emissions (mt CO ₂ e)**	28,261
Total Purchased Carbon Offsets (mt CO ₂ e)***	28,811
Total Net Emissions (mt CO ₂ e)****	0

* RECs cover 100% of the electricity-use reflected within our Scope 2 location-based emissions

** Market-based Scope 2 emissions reflect steam-use driven emissions which cannot be offset with RECs

*** Carbon Offsets cover the remainder of emissions not covered by RECs

****Calculated as [(total Scope 1 + Scope 2 market-based + Scope 3 business travel emissions) - total purchased GHG emissions offsets]

While our original commitment was made as part of our original 2025 environmental sustainability goals, we strive to continue to evolve our carbon neutrality program as we make progress toward our larger 2030 emissions reduction strategy.

Independent Verification

BNY engaged Apex Companies, LLC, an independent, third-party organization, to verify our Scope 1, Scope 2 and Scope 3, Category 6 (business travel) emissions and renewable energy purchases at a limited assurance level ([see the full Verification Statement](#)). The verification of our emissions lends transparency and confidence to our methodology and enhances our ability to track energy-efficiency opportunities. A subcommittee of our Disclosure Committee and our Executive Committee members oversee our approach to seeking external assurance. Learn more about our progress and methodology as well as our broader approach to [Environmental Sustainability](#).

Energy Consumption*

Total fuel consumption	113,238 gigajoules (includes natural gas, fuel oil, car gasoline and jet fuel)
Total electricity consumption	854,693 gigajoules (BNY purchases renewable electricity products to offset our entire electricity use)
Total steam consumption	27,910 gigajoules
Total energy consumption	995,841 gigajoules

* BNY follows the Corporate Standard Greenhouse Gas Protocol for calculating emissions and energy use. An Operational Control boundary is used. Conversions for Fuel and Electricity were done with the U.S. Energy Information Administration's Energy Conversion Calculator. Steam was converted from BTU to joules using the factor: 1 BTU=1055.05585 joules as defined by the International Energy Agency's Unit Converter. Denominators: 2023 revenue (17,502 million dollars); 2023 average rentable square feet of real estate portfolio (9,239,181 sq. ft.)

Energy Intensity

Energy intensity ratio	56.9 gigajoules per million dollars; 0.1078 gigajoules per square foot
Denominators	2023 revenue (\$17,502 million); 2023 average rentable square feet of real estate portfolio (9,239,181 sq. ft.)
Reduction of Energy Consumption*	5,858 gigajoules

* Fuel, electricity and steam are included; BNY does not consume additional sources of heating and cooling. BNY's energy reduction was calculated by subtracting 2023 energy consumption from the 2022 energy consumption. This reduction is the result of ongoing real estate portfolio optimization initiatives and specific energy reduction projects. BNY sets its energy reduction targets in the form of emission reduction targets, as these are a surrogate for energy targets. BNY calculates its total energy consumption in conjunction with calculating its greenhouse gas inventory. Therefore, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) is the published methodology and standard used in energy and emission calculation.

Financed Emissions

Like many financial institutions, BNY's Scope 3 GHG emissions from our value chain activities are primarily driven by the Category 15 emissions associated with our financing activities. However, as one of the world's largest custodians with \$47.8 trillion in assets under custody and/or administration, our business model and balance sheet look different than those of many of our G-SIB peers.¹⁷ For this reason, we have taken a measured and thoughtful approach to better understand the financed emissions associated with our lending and investment activities and our ability to address them.¹⁸

In 2023, BNY Sustainability engaged with stakeholders from across the business to measure our financed emissions footprint for the first time. We identified emissions reduction strategies that are driven by both our current business objectives and continued commitment to meet the needs of our clients and the broader economy. Based on this analysis, we have set 2030 emissions reduction targets for the two sectors representing the greatest share of the Category 15 emissions in our portfolio. These targets are key drivers of our 2030 emissions reduction commitment and support our enterprise climate goal to reduce our environmental footprint.

¹⁷ BNY primarily provides custodial services to the global financial community. Our Securities Services segment represents the largest of our segments. It consists of two distinct lines of business — Asset Servicing and Issuer Services — which provide business solutions across the transaction life cycle to our global asset owner and asset manager clients. The Securities Services segment had \$34.2T of BNY's \$47.8T in assets under custody and/or administration at December 31, 2023, followed by the Markets and Wealth Services segment, which had \$13.3T of the bank's total assets under custody and/or administration for the same period. Our balance sheet primarily consists of corporate loans, commercial real estate loans and mortgages, and residential real estate loans and mortgages.

¹⁸ All references to "financed emissions" in this chapter refer to the GHG emissions associated with BNY's on-balance-sheet lending and investment activities as well as BNY's off-balance sheet capital markets facilitation activities. The GHG emissions associated with the managed investments of BNY Investments and its affiliated boutique firms are excluded from the scope of this analysis and the associated reduction strategy and targets in this chapter.

Measuring Our Financed Emissions

In line with our peers, we followed the latest methodology and guidance from the Partnership for Carbon Accounting Financials (PCAF) to calculate initial estimates of our financed emissions. In conducting our analysis, we included the following lending, investment and facilitation activities: corporate loans, corporate bonds, commercial real estate loans and mortgages, residential real estate mortgages, equity and debt capital markets facilitation, and tax equity investments.¹⁹ The PCAF methodology uses a simple attribution factor to allocate a portion of a borrower's or investee's annual GHG emissions to a financial institution based on a ratio of the outstanding amount of the loans and investments provided to the company (or project) over the company's total enterprise value, including cash (for listed companies) or total debt and equity (for private companies). For capital markets activity, the PCAF methodology uses facilitated amounts instead of outstanding amounts and multiplies this number by a weighting factor to attribute company emissions to the facilitator. These equations are summarized in the figure to the right. Following this approach, we used allocation-based methods for each asset class to attribute our clients' GHG emissions to BNY based on (1) the proportional share of BNY's lending to or investment in our clients and, if applicable, (2) the apportioned value of BNY's equity and debt capital markets activity facilitated on behalf of our clients in the reporting year.

PCAF General Approach to Calculate Financed and Facilitated Emissions

Financed Emissions

For listed and private companies

$$\sum \text{Attribution Factor} \times \text{Company Emissions}$$

For real estate

$$\sum \text{Attribution Factor} \times \text{Building Emissions}$$

Facilitated Emissions

For listed and private companies

$$\sum \text{Attribution Factor} \times \text{Weighting Factor} \times \text{Company Emissions}$$

While we largely followed the PCAF methodology, we made a few modifications to better align to our baseline measurement across our sector targets:

- **Outstanding Drawn versus Total Committed Amount:** For corporate loans, while the PCAF methodology recommends using the Outstanding Drawn Amount to attribute company emissions to the financial institution, we have chosen to estimate our financed emissions using the Total Committed Amount. The reason for this is twofold. First, the total committed amount captures the full amount that BNY could be exposed to should

borrowers in that sector draw fully on their lending lines. Second, there is less inherent volatility in the total committed amount than the outstanding drawn amount, which can vary widely depending on borrower needs in a particular time period. Therefore, to be more conservative, we used the total committed amount when estimating our financed emissions for this asset class to account for our total exposures and control for volatility in the underlying metric.

- **Weighting Factor:** For capital markets issuances, while the PCAF methodology recommends using a 33% weighting to attribute company emissions to the facilitator, we have chosen to estimate our facilitated emissions using a weighting factor of 100% to be more conservative.

Results of Analysis

The results of our initial analysis indicate that our absolute financed emissions were highest in the Oil & Gas and Power sectors, together representing the majority of our total absolute financed emissions footprint in fiscal year 2020. Across all high-emitting sectors, absolute financed emissions were primarily driven by our total corporate loan commitments, while our corporate bonds and capital markets activities had a smaller contribution due to the size of the respective businesses.

¹⁹ BNY does not currently provide project financing or motor vehicle loans, and therefore both PCAF classes were excluded from this analysis.

Year-on-year fluctuations in our financed emissions estimates for each high-emitting sector may occur and would be driven by changes in the variables that make up the underlying absolute financed emissions equation, including, for example:

- **Total Commitments:** The amount of our financing committed to companies in that sector
- **Enterprise Value Including Cash (EVIC):** The enterprise value of the companies in our portfolio, or in the case of mortgages, the property value at origination
- **Company or Building-Level Emissions Levels:** The emissions profile of the companies in our portfolio, or in the case of mortgages, the emissions of the building(s) being financed

Data Quality

The accuracy of our financed emissions estimates depends on the quality of the client-level financial, emissions and production data used in the underlying calculation for each asset class. Recognizing that data accuracy and availability remain a challenge in the industry, PCAF provides a methodology to assign a data quality score, ranging from 1 to 5, to each calculation based on the source and accuracy of the data. A PCAF data quality score of “1” denotes the highest data quality (i.e., most certain), typically actual

reported values from primary sources. A PCAF data quality score “5” denotes the lowest data quality (i.e., least certain), typically estimated values from secondary sources. For companies where data availability is limited, we have followed the fallback methodologies recommended by PCAF to estimate financed emissions.²⁰ The results of our initial estimates suggest that the poorest data quality scores are found in the Commercial Real Estate (CRE) and Residential Real Estate (RRE) sectors, where we do not currently have information on building-level emissions, energy consumption or floor area, and Agriculture, where emissions reporting is not currently available for our clients. Data quality scores are better in other sectors, including Oil & Gas and Power, where we have set targets and where company emissions reporting is more commonly available. We expect that company-level data availability will continue to improve over time as more companies disclose their emissions and better measurement approaches are developed across sectors. These improvements will help to improve the accuracy of our financed emissions estimates going forward.

Emissions Reduction Strategy

Based on the results of our initial financed emissions analysis, we have chosen to focus our emissions reduction efforts on the Oil & Gas and Power sectors and set 2030 targets that are in line with our existing business strategy. For each sector target, we have made a number of key design decisions to define the value chain segments, emissions scopes, metrics and scenarios by which the targets are set. These targets and the key decisions are summarized in the table below.

²⁰ For corporate clients, fallback methodologies estimate the financed emissions of a company using either a revenue-based or asset-based fallback factor. Revenue-based factors use available S&P emissions and S&P revenue data to average company emissions per dollar revenue for companies in the sector or sub-sector. Asset-based fallback factors use available S&P emissions and S&P EVIC data to estimate the emissions per dollar of asset for companies in the sector or sub-sector. For real estate mortgages, fallback factors estimate the emissions per property using either per property or per floor area factors. U.S. Energy Information Agency (EIA) state-wide energy and fuel use consumption data is converted to associated emissions and then divide by property stock data to create average emissions factors per building or per square foot by state and property type.

Summary of 2030 Reduction Strategy and Key Design Decisions

Sector Target	Oil & Gas	Power Generation
Target Metric	Absolute Financed Emissions measured in M mtCO ₂ e	Physical Emissions Intensity (PEI) measured in kgCO ₂ e/MWh
Baseline Year	2020	2020
Baseline	3.3M mtCO ₂ e	349 kgCO ₂ e/MWh
Target Year	2030	2030
Target Reduction	31% (to 2.3M mtCO ₂ e)	46–55% (to 156–188 kgCO ₂ e/MWh)
Business Activities	Corporate Lending (Total Commitments), Capital Markets Facilitation and Corporate Bonds	Corporate Lending (Total Commitments), Capital Markets Facilitation, Corporate Bonds, and Tax Equity
Outstanding Amounts vs. Total Commitments	Total Commitments	Total Commitments
Value Chain Segments	Upstream, Midstream, Downstream, Integrated	Power Generation (Conventional and Alternative Power Generation, and Integrated companies)
Emissions Scopes	Scope 1, Scope 2 and Scope 3 downstream	Scope 1
Benchmark Scenario	IEA NZE (2022)	IEA NZE (2021, 2022)

Oil & Gas Strategy

Sector Overview

The Oil & Gas sector focuses on the extraction, production, refinement and distribution of oil and gas for commercial, industrial, residential and transportation uses. Its value chain includes upstream oil and gas exploration and production, midstream transportation and storage, and downstream refining and sales. The majority of emissions in the sector come from the combustion of fuels (e.g., gasoline, diesel, jet fuel) in downstream activities. Financing to the Oil & Gas sector accounted for the greatest share of BNY's absolute financed emissions footprint in 2020.

Additionally, Oil & Gas operations (Scope 1 and Scope 2) account for approximately 15% of total energy-related GHG emissions globally, while the downstream use of oil and gas (Scope 3) accounts for an additional 40% of global GHG emissions.²¹ Due to the outsized contribution of the Oil & Gas sector to global GHG emissions and our financed emissions footprint, we have decided to set an emissions reduction target for our Oil & Gas portfolio.

²¹ IEA (2023), Emissions from Oil and Gas Operations in Net Zero Transitions, IEA, Paris <https://www.iea.org/reports/emissions-from-oil-and-gas-operations-in-net-zero-transitions>, Licence: CC BY 4.0

Summary Approach

For the Oil & Gas sector, we have set a point target to reduce our absolute financed emissions by 31% (to 2.3 million mt CO₂e) by 2030. We have selected the absolute financed emissions metric as the basis of our target because, among other reasons, we believe it is more comprehensive than the physical emission intensity metric and allows us to capture emissions from activities across the value chain. In contrast, we believe the physical emissions intensity metric would only allow us to capture our financing to clients with production activities. In 2020, the majority of our financing to the sector was to integrated Oil & Gas companies with upstream, midstream and downstream activities. Therefore, by using this metric, we believe we are able to account for the majority of our clients and our financing to the sector. While our corporate lending (total commitments) represented the majority of our financing to the sector, we have also included our capital markets activities and corporate bond investments in our target.

Absolute Financed Emissions Calculation for the Oil & Gas Sector

$$\text{Absolute Financed Emissions} = \sum \frac{\text{Client Financing}}{\text{Client EVIC}} \times \text{Client Emissions}$$

For emissions scopes, we have included the Scope 1, Scope 2 and Scope 3 downstream emissions of our clients. In the Oil & Gas sector, Scope 1 includes fugitive emissions (e.g., methane leaks) and process emissions (e.g., gas flaring, emissions from company vehicles), Scope 2 includes emissions from the electricity purchased to power company offices and operations, and Scope 3 downstream includes emissions from the end use of fossil fuels, typically for combustion (i.e., heating, power generation, transportation) or manufacturing feeds. Scope 3 emissions represent the majority of emissions in the sector and therefore the greatest opportunity for meaningful reductions. Finally, we selected the International Energy Agency (IEA) 2022 Net Zero Emissions (NZE) scenario to identify the target absolute emissions level for the sector in 2030.

Power Strategy

Sector Overview

The Power sector focuses on the generation and distribution of power for commercial, industrial, residential and transportation uses. Electricity is generated at utility-scale power plants through the use of fossil fuels, nuclear fuels or renewable energy and distributed to downstream consumers through a complex grid of electricity substations, transformers and high- and low-voltage power lines. Its value chain segments include fuel procurement, power generation, transmission and distribution, and service location or end-market use. The majority of emissions in the Power sector come from the combustion of fossil fuels at power plants to generate electricity for downstream distribution and consumption.

Financing to the Power sector accounted for the second largest share of BNY's absolute financed emissions footprint in 2020. In addition, electricity and heat generation account for approximately 44% of global CO₂ emissions from fuel combustion, with coal power plants responsible for approximately 73% of those emissions.²² Due to the significant contribution of this sector to and our financed emissions footprint, we have decided to set an emissions reduction target for our Power portfolio.

²² IEA (2023), Greenhouse Gas Emissions from Energy Data Explorer, IEA, Paris <https://www.iea.org/data-and-statistics/data-tools/greenhouse-gas-emissions-from-energy-data-explorer>

Summary Approach

For the Power sector, we have set a range target to reduce our portfolio physical emissions intensity (PEI) by 46-55% (to 156-188 kgCO₂e/MWh) by 2030. We have selected the physical emissions intensity metric because, among other reasons, we believe it allows for and incentivizes growth in low-carbon power production. Decarbonization of the power sector will primarily be driven by a shift away from the use of fossil fuel combustion to the use of renewable energy generation to produce enough electricity to meet market demand. We believe that using the physical emissions intensity metric allows us to grow our financing to the sector, particularly to renewable energy companies and other power generation companies with lower emissions intensity, which is key to supporting the energy transition and scaling renewable power production.

In 2020, the majority of our financing to the sector was to integrated Power companies with upstream power generation and downstream transmission and distribution, followed by alternative and conventional power generation companies. In setting our target, we only focused on the power generation segment of the value chain because electricity generation is the leading source of emissions in the sector, and we believe companies that own power plants therefore have the greatest ability to influence emissions levels in the sector. While our corporate lending (total commitments) represented the majority of our financing to the sector, we have also included our capital

markets activities, corporate bond investments, and tax equity investments in our target.

Physical Emissions Intensity Calculation for the Power Sector

$$\text{Physical Emissions Intensity (PEI)} = \sum \frac{\text{Client Emissions}}{\text{Client Production}} \times \frac{\text{Client Financing}}{\text{Total Sector Financing}}$$

For emissions scopes, we have only included the Scope 1 emissions of our clients because the majority of emissions from the power generation subsector are from sources (i.e., power plants) that are directly owned or controlled by power companies due to the combustion of fossil fuels to generate power. Due to the limited ability of power companies to influence Scope 2 and Scope 3 emissions, and because these scopes represent a smaller portion of the total emissions profile of the sector, we have decided to exclude them. Finally, we selected the IEA 2021 and 2022 NZE²³ by 2050 scenarios to identify the target PEI range for the sector in 2030.

Key Dependencies and Considerations

The feasibility of achieving our targets depends on several factors, including whether companies in our portfolio decarbonize in line with their stated targets, whether companies without targets today choose to set targets or decarbonize in line with their peers, and the availability of financing opportunities that are in line with BNY's business strategy and risk appetite that also support further emissions reductions. Government policies, advances in technology, increased market adoption and changes in consumer behavior are also key dependencies. Changes to the scenarios published by the IEA, which form the basis for our targets, could lead us to reevaluate our targets in light of such changes.

Additionally, our targets could be impacted by new or evolving requirements and guidance from global or regional regulators, or by other standard-setting bodies (e.g., by PCAF). Our targets and progress thereon could also be impacted by the quality of underlying data, including data we receive from third parties over whom we have no or limit control. We will continue to monitor industry developments and may revise our absolute financed emissions estimates and targets as we deem appropriate should these, or other, changes occur.

²³ IEA (2023), Global Energy and Climate Model, IEA, Paris, <https://www.iea.org/reports/global-energy-and-climate-model>, Licence: CC BY 4.0

ENVIRONMENTAL SUSTAINABILITY

BNY's guiding principles and environmental sustainability commitments for the efficient management of our global operations are outlined in our Environmental Sustainability Policy Statement. We strive to responsibly manage the impacts of our investments, infrastructure and operations in a way that preserves natural resources and minimizes negative outcomes. Our approach to climate action, including management of our corporate real estate portfolio, is described in the preceding section, [Managing Climate-Related Impacts](#).

2023 Highlights

171

tons e-waste recycled or properly disposed of

110,142

trees planted to offset our paper use to date

81%

landfill diversion rate

41%

reduction in water consumption relative to 2015 baseline

2ND

consecutive year of global paper neutrality

2025 Environmental Sustainability Goals

In 2019, BNY set a suite of environmental sustainability goals with a target end date of 2025 in the categories of waste management, printing and paper use, and water conservation, as summarized in table below. We continue to make progress toward these goals and are on track to meet or exceed them by 2025 or sooner. As we approach the target year, we may consider new environmental sustainability goals for 2030.

BNY’s 2025 Environmental Sustainability Goals

Area	2025 Goal
Waste	Divert 80% waste from landfills Achieve zero technology waste to landfills
Paper	Maintain paper neutrality in the U.S. and India through 2025
Water	Achieve water use reduction

Waste Management

Proper waste management reduces pollution, helps protect nature and helps lower greenhouse gas emissions by redirecting waste from landfills to commercial recycling or composting centers. In 2023, we developed a new strategy that will centralize landfill and recycling receptacles and waste signage across our portfolio. This intent was informed by benchmarking reports from waste audits at key locations in the U.S. It will be implemented in 2024 through renovation projects and gradually executed throughout the remainder of the portfolio.

In 2023 we recycled or properly disposed of 171 tons of corporate technology equipment, which represents 100% of electronic waste collected by our corporate technology recycling vendor. We also achieved a landfill diversion rate of 81%, which positions us well to reach our goal of 80% diversion rate by 2025.

2023 WASTE DISPOSAL*

Total weight of waste generated:

12,125,240 pounds

Waste diverted from disposal

Recycling:

7,724,120 pounds

Composting:

129,720 pounds

Waste directed to disposal

Incineration (mass burn):

1,978,980 pounds

Landfill:

2,292,420 pounds

* Waste was handled by the waste hauler contractor. Waste data is provided to facility manager regarding frequency of pickup, quantity of pickup and fate of waste.

Printing and Paper Use

To mitigate paper use, printing capabilities are now granted on an exception-only basis. For the second consecutive year, we achieved paper neutrality in our operations globally by offsetting all paper use across our entire enterprise through a certified reforestation program. Through an engagement with PrintReleaf, a certified global reforestation program, over 110,140 trees have been planted to date on behalf of BNY. The transition toward digitization has led to other benefits, including a reduction in the use of ink cartridges and a 69% decrease in the number of printers in 2023.

Water Conservation

Conserving water is integral to maintaining the health and resiliency of ecosystems.²⁴ In 2023, BNY continued to track water consumption and identified new opportunities for further reductions and water efficiency. We generally employ efficient irrigation systems, install high-efficiency fixtures in new spaces and monitor water-intensive mechanical equipment. For example, the use of high-efficiency fixtures and water reuse systems in recent LEED-certified building renovations has resulted in significant savings.

2023 WATER WITHDRAWAL*

Water withdrawal in the U.S.:

154 MEGALITERS

Water withdrawals in international locations:

124 MEGALITERS

Total water withdrawal:

277 MEGALITERS

Decrease in water consumption:

41%

relative to a 2015 baseline

* BNY withdraws all of its water from municipal sources. All water withdrawals are freshwater. Facility Managers account for all water withdrawn from sources based upon water bills and report to Sustainability team for data collection. Numbers are rounded to the nearest whole number

²⁴ International Day for Biological Diversity: Biodiversity Can Provide the Basis for Effective Water Management, World Bank Blogs, May 22, 2013

TAKING ACTION FOR CLEAN WATER

BNY leaders invest time and energy to draw attention to critical issues such as protecting our rivers and oceans. During Climate Week 2023, BNY Chief Financial Officer Dermot McDonogh swam alongside ocean advocate and endurance swimmer Lewis Pugh on the Manhattan leg of his 315-mile swim down the Hudson River. As United Nations Patron of the Ocean, Lewis undertook this month-long swim to showcase the Hudson's steady revival from decades of pollution and to inspire others to clean up neglected waterways around the world. Dermot's participation brought together employees and clients to highlight the importance of the Hudson River, which flows close by BNY's global headquarters in Manhattan. For nearly a quarter millennium, we have borne witness to the changing fortunes of this mighty river as it drains into the New York harbor, past the Statue of Liberty and beyond to the Atlantic Ocean.

A group of our employees cheered on the swimmers and contributed to cleanup efforts before joining clients to hear about Lewis' experience as a planetary steward and why Dermot decided to swim with him.



Environmental Change Agents

Within our company, Environmental Sustainability Ambassadors act as local advocates and change agents, employees speak up to amplify the topic of sustainability within the company and discuss ways to embed sustainability throughout their daily lives. They also coordinate volunteer opportunities with local environmental nonprofits through events such as tree plantings, public trail maintenance, litter cleanups and park conservancy.

At the sector level, an international team of young BNY professionals is elevating the conversation about nature-related finance among financial services peers. Through the Future Leaders in Biodiversity Taskforce, they are engaging with peers at 12 leading banks, investment firms, asset managers and professional services firms on critical issues such as education, high-impact market-sector heat mapping and emerging biodiversity data tools. The taskforce is seen as a powerful body for change and invited to collaborate on commercial initiatives with other groups, including the World Resources Institute and Sustainable Markets Initiative Financial Services Taskforce (chaired by HSBC).

Protecting Pollinators

The honeybee population works as pollinators — they help all types of plants to reproduce and directly contribute to global food security and biodiversity. Honeybee colonies have become threatened by land-use changes, pesticides and parasites. In an effort to help restore, protect and

preserve the honeybee population, five of our U.S. facilities host 14 honeybee hives. These beehives serve as important data points for our external beekeeping partner and contribute to scientific research to ensure dependable honeybee health.



RESPONSIBLE BUSINESS

Businesses, communities and global economies have relied on BNY as a trustworthy, dependable steward of financial operations around the world throughout our history. While resilient governance continues to encompass ethical, transparent business practices and proactive risk management, today it also calls for driving cultural improvements within our organization and anticipating technological change.

By conducting our business responsibly, we support the following SDGs:



COMPLIANCE AND ETHICS

BNY's [Code of Conduct](#) applies to all employees and is intended to guide their behaviors in all business activities and helps shape our overall conduct and risk culture. The Code is a unifying document that sets out the key guidelines and common expectations with regard to: respecting others, avoiding conflicts of interest, conducting business, working with governments, protecting company assets and supporting our communities.

Our ongoing measures to reinforce these standards include annual employee trainings covering topics such as ethics, anti-corruption, protecting assets, business continuity, anti-money laundering and information risk. For all employees, training on additional issues such as safety and security in the workplace, including speaking up, unconscious bias, workplace bullying and harassment, are important to maintain a safe and inclusive culture and are therefore mandatory to meet certain company and regulatory requirements. These trainings, in addition to ongoing risk management communications, help drive employee ownership of risk, which we believe promotes positive compliance outcomes. To emphasize our commitment to the values set forth in our Code of Conduct and our expectation that employees act at all times with the utmost integrity, the firm. All employees are required to complete and attest to understanding an annual Ethics

and Our Code of Conduct training course, and we achieved a 100% completion rate in 2023.

Escalation and Speaking Up

Our core values are intended to empower all employees to act with integrity, and we strive to provide our employees with the necessary knowledge and resources to identify, notify on and report issues in a timely manner. We provide several ways to ask questions or make a report, including an Ethics Helpline, operated by the BNY Ethics Office, and an Ethics Hotline, operated by an independent administrator.

Anyone who reports a concern or reports misconduct in good faith, and with the reasonable belief that the information is true, is demonstrating a commitment to our values and following our Employee Code of Conduct. The company has zero tolerance for acts of retaliation.

Anti-Bribery and Corruption

Money laundering and other financial crimes undermine confidence and resilience in the financial system and create other significant negative societal impacts. At BNY, we combat financial crime and work to prevent criminals from financing illegal activities through our network.

Our Employee Code of Conduct and Director's Code of Conduct detail our expectations regarding anti-corruption compliance. The Employee Code of Conduct is designed for employees to certify compliance with hiring-related requirements and the corporate Gifts & Entertainment Policy, among other subjects. We monitor potential conflicts through our anti-corruption compliance program, which covers business dealings and relationships in countries where BNY and our subsidiaries and associates operate. The program is designed to comply with both U.S. and non-U.S. laws and regulations, including, among others, the U.S. Foreign Corrupt Practices Act and the UK Bribery Act. It covers business activities and regulatory requirements, including gifts and entertainment, charitable contributions, hiring practices and third-party intermediary due diligence. Employees complete mandatory anti-corruption new hire and biennial refresher training courses, with specialized training available to higher risk job segments.

The Global Anti-Corruption Office administers an enterprise-wide Anti-Corruption Risk Assessment process on a periodic, recurring basis. The assessment is tailored to identify inherent bribery and corruption risks, relevant controls and residual risk across BNY. Outcomes of our risk assessment process help guide our employee training regime, inform compliance testing coverage and spot emerging threats on the horizon. And, to meet evolving legal and regulatory expectations, we enhanced our process to identify U.S. government subcontractors and assess nonstandard compliance requirements on an ongoing basis.

Public Policy

BNY is committed to working constructively with policymakers and market participants to move the financial services industry forward.

BNY’s Public Policy and Government Affairs team is responsible for monitoring political activity by or on behalf of BNY, including administration of our Political Action Committee (PAC) program. Reporting to the General Counsel, the group provides regular updates at least annually to the Corporate Governance, Nominating and Social Responsibility Committee of the Board of Directors.

Working both bilaterally and through trade associations, this team represents BNY’s interests in the U.S., EMEA and APAC. Its activities include the submission of comment letters in response to regulatory and legislative proposals and engagement with elected officials, regulators and

Administration officials, as well as engagement with trade associations. In addition, qualified employees engage in our PAC program.

All activities are designed to be conducted in accordance with BNY’s Code of Conduct, internal policies and procedures, and applicable laws and regulations, and in consultation with our Compliance and Legal Departments.

In 2023 BNY spent \$1,320,000 on federal lobbying. Additional information, including our Political Engagement Statement, lobbying reports and information on our employee-funded political action committees is available [here](#).

U.S. Federal Political Action Committee Contributions In 2023*

	Republican	Democratic	Total
U.S. House	\$78,000	\$52,500	\$130,500
U.S. Senate	\$30,000	\$53,500	\$83,500
Total	\$108,000	\$106,000	\$214,000

* Additional contributions include \$7,000 made to Pennsylvania candidates, resulting in \$221,000 in total PAC disbursements.

Tax Transparency

BNY’s tax mission is to comply with applicable laws and regulations in the jurisdictions where we operate and have an open dialogue with tax authorities during all authorized inquiries and audits. We seek to facilitate transactions that achieve a tax result that is consistent with the underlying economic consequences and are consistent with the letter of the law. More information related to taxes is in our [Annual Report 2023](#) and in our [Global Tax Strategy](#).

DATA PRIVACY

Technological developments, including the use of AI-enabled applications, present opportunities for financial services institutions such as BNY to use personal information to develop improved products and services, support clients more effectively and efficiently, and better manage risk. Data privacy is the right of individuals to maintain control over how personal information is collected and who can process that personal information and for what purposes. BNY, and other organizations, are subject to laws and regulations that make us accountable for collecting and using personal information in a fair and lawful manner. We view the protection of privacy as an opportunity to earn and safeguard client trust. We commit to act ethically and lawfully when handling the personal information of our clients, employees and other stakeholders.

BNY's data privacy program is led by our Global Privacy Office, which is responsible for the development and implementation of the BNY Privacy Framework and supporting policies, procedures and controls. Our Privacy Framework is aligned to leading international privacy standards and follows the Three Lines of Defense model utilized across the financial services industry. This model sets forth specific roles and responsibilities shared across the Global Privacy Office, Lines of Business and Corporate Functions and the Legal, Compliance and Audit functions.

Our Global Privacy Office works with our Data Ethics Office to provide first-line oversight for data privacy and the ethical use of data and AI. Learn more about our approach to [Data Ethics](#) and the management of artificial intelligence.

Data Privacy Policies and Individual Rights

BNY has implemented data privacy policies and procedures that apply to BNY processes that utilize personal information (PI). The policies and procedures include:

- Providing individuals with privacy notices to inform them that we are collecting their PI, how we will use it and what rights they have in relation to it
- Identifying an appropriate legal basis to process PI and, when required, seeking consent
- Minimizing the volume of PI we process by limiting collection to that which is necessary for processing purposes and not retaining it for longer than required for these purposes unless we are required to do so for legal, regulatory, tax, accounting or technical requirements
- Operating a robust process to respond to individuals who exercise their privacy rights
- Carrying out data protection impact assessments to identify and mitigate privacy risks for new or updated PI processing
- Protecting PI by operating an information security framework aligned to global standards

- Implementing appropriate protections when we transfer PI across international borders
- Implementing third-party governance to help ensure that our data privacy standards are met by suppliers when they process PI on our behalf
- Maintaining an inventory of the PI we process to support the activities listed above

Risk Management

BNY conducts regular review and assurance activity relating to compliance with our data privacy policies. This includes producing and monitoring data privacy metrics and undertaking assessments across BNY to identify privacy risks and control improvement opportunities.

Regulatory Readiness

BNY actively tracks data privacy developments facing our industry and proactively adjusts our data privacy strategy and controls in response. We maintain a Privacy Regulatory Implementation Program to make the necessary updates to our Privacy Framework to support us in demonstrating compliance with the applicable new and updated data privacy laws and regulations to which we are subject.

Data Privacy Incident Management

We maintain a robust PI incident management process that directs the reporting, assessment, handling and escalation/ notification of data privacy incidents.

Data Privacy Training

We believe that our employees play a critical role in protecting PI. The Global Privacy Office provides regular employee data privacy training, including mandatory training on key data privacy principles and requirements that is completed annually by employees and new joiners as part of their onboarding. In addition, we conduct annual awareness-raising activities in celebration of International Data Privacy Day to educate employees on the Privacy Framework and remind them that respecting individual privacy rights and handling PI with care demonstrates that BNY operates with integrity.

CYBER RESILIENCE

As we accelerate our digital transformation and cyber threats become more sophisticated, maintaining high levels of cybersecurity is paramount to both protect our business and drive value to our clients.

Our Cybersecurity Program. BNY's Cybersecurity program is operated under the direction of the Chief Information Security Office (CISO). It is under continuous audit by internal auditors and subject to ongoing, formal challenge by the Technology Risk Management Team within the second line of defense. Senior oversight for the program is provided by executive-level committees composed of leadership from all Three Lines of Defense, including the Technology Risk Committee, Technology Oversight Committee, Senior Risk and Controls Committee, and the Risk, Audit and Technology Subcommittee of the Board. Additionally, the CISO provides an annual update on the cybersecurity program to the full Board. External auditors also review our program as required in the Sarbanes Oxley (SOX) Act and as designed in the Service Organization Control (SOC1).

Our cybersecurity program is grounded in our Cybersecurity Services Model, which is composed of layered controls that align with internationally recognized standards, such as ISO 27001/2. The Bank of New York Mellon Corporation's Information Security Management System is ISO/IEC

27001:2013 certified. We monitor changing regulatory requirements, guidelines and technologies in all countries in which we operate, and our global program reflects industry and business best practices, including the National Institute of Standards and Technology Cybersecurity Framework. Learn more about our [Information Security and Protection](#) and find additional details in the [Annual Report](#).

An important component of our cybersecurity strategy is the protection of data across our operations and communications. We invest in advanced technology to protect data, including encryption techniques such as Transport Layer Security to protect communications between clients and internal systems. Our techniques are based on industry best practices and standards, which are incorporated into internal policies.

Threat Intelligence. Our Threat Intelligence team drives our organization to prepare for and prioritize evolving cybersecurity threats using information from our peers and the broader financial services industry, law enforcement, government, and a variety of other public and private sources. We continually evaluate our enterprise for vulnerabilities and risks, and watch for advanced adversaries, to increase situational and contextual awareness.

24/7/365. Our Security Monitoring global staff work shifts to provide coverage 24 hours a day, enabling the company to manage cybersecurity risks through the timely detection and escalation of data or technology incidents involving the violation of confidentiality, integrity or availability. SOX analysts perform “eyes on glass monitoring” of the Security Information & Event Management (SIEM) system. They triage suspicious technology activities identified by automated alerting and escalate to various incident-handling teams when activities are deemed a potential cyber threat.

Cybersecurity Training. Employees in our technology departments and throughout the firm play a vital role in maintaining information and systems security by identifying and mitigating risks. All employees complete information risk training upon hiring and annually, and have the opportunity to participate in ongoing risk awareness campaigns. We track participation rates and survey results to evaluate effectiveness and identify areas for improvement. We conduct phishing and other social engineering tests leveraging real-world examples identified through threat intelligence. The results enable us to tailor both individual training as well as firm-wide cybersecurity awareness campaigns. We also educate employees through our Cyber Awareness Month, held annually since 2004, which focuses on adopting secure behaviors this year. Additionally, where appropriate, role-specific training is also made available.

Client Privacy. We aim to help our clients protect themselves from fraud, including cyberfraud and other fraudulent activity, by providing guidance on guarding against phishing, personal identity theft and other threats. Access our [Terms of Use](#) for more information.

SUPPLY CHAIN

BNY strives to cultivate a resilient, diverse network of suppliers who adhere to the highest ethical standards, manage social and environmental issues responsibly, and safeguard human rights. This cultivates trust and helps us manage risks more effectively. In our ongoing quest to run our company better, BNY restructured our supply chain management approach to increase synergies through a more unified approach. We established the Enterprise Sourcing Office (ESO) by bringing together several separate functions into a cohesive structure. We believe this organization will allow us to achieve benefits and connection points, including complying with closely related regulatory requirements.

Supplier Conduct

Our [Supplier Code of Conduct](#) articulates our expectations related to worker health and safety, labor and human rights, environmental sustainability, diversity and inclusion, ethics, community support, conflicts of interest and other responsible business practices. We set high standards for ourselves in these areas and expect our suppliers to meet similar standards of excellence. Currently, suppliers must confirm their adherence to the Code at the time of contracting, as well at the time of first login to the supplier

portal to make any change to their profile. Subsequently they are requested annually to attest to compliance with the Supplier Code of Conduct on the portal.

We expect our suppliers to understand and act in accordance with this Code, including by aligning their corresponding guidelines, policies and practices with our Code requirements throughout their organization and across their own supply chains. Any violations of our Supplier Code of Conduct can be reported through our confidential [Ethics Help Line](#).

Supplier Diversity

By integrating supplier diversity²⁵ into the sourcing process, we believe we can enhance innovation, promote economic equity and contribute to the growth of diverse businesses and communities. This, in turn, ultimately helps us deliver client and shareholder value. Each year, we network with and identify diverse suppliers, including small businesses, through participation in local and national conferences, advocacy organizations and matchmaker sessions. Some of these groups include the Financial Services Roundtable for Supplier Diversity, National Minority Supplier Development Council, New York & New Jersey Minority Supplier

Development Council, WEConnect International, Women's Business Enterprise National Council and Women's Business Enterprise Council – Metro New York. We also tap into the power of our culture and E/BRG members to help build program awareness and support.

ESO is responsible for establishing and overseeing the governance of our supplier diversity approach and objectives.

Our executive leadership supports our efforts to promote the economic growth and development of small and diverse-owned businesses. BNY's leadership provides budget, resources and tools to advance supplier diversity at BNY and the diverse business community.

Risk and Resilience. The ESO manages and executes a Risk Assessment process that is designed to identify, respond to and monitor potential third-party risk.

We have implemented several practices that we believe will result in a more resilient supply chain and help us mitigate and manage risks across our network of suppliers. We use an Enterprise Sourcing Framework to identify, measure, manage, monitor and report risks associated with third parties. This ESO Framework establishes minimum requirements for the onboarding and ongoing management

²⁵ Defined as small businesses and companies owned and operated by women, minorities, veterans, people with disabilities, or LGBTQ+ individuals

of third parties. In addition, we have identified and work with Preferred Vendors to speed the onboarding process, increase consistency in services and quality of resources, and improve buying power, which we believe lowers the cost of execution and oversight/governance of vendors.

Third-Party Governance

The disruptions caused by global and regional conflicts, as well as natural disasters and other systemic shocks, emphasize the importance of a robust and resilient ecosystem of external vendors and BNY internal service provider entities. To help facilitate business continuity, we monitor and manage our ecosystem through a Third-Party Governance program designed to:

- Provide oversight and controls commensurate with the level of risk and complexity of third-party engagements, with heightened focus on critical activities
- Incorporate the risk of material fourth-party exposure
- Meet evolving legal and regulatory requirements as well as stakeholder expectations on sustainability issues

PROTECTING HUMAN RIGHTS

We consider human dignity paramount, and we work to preserve and champion human rights throughout our company, our value chain and broader society. BNY's Human Rights Statement articulates a commitment to protect vulnerable individuals and groups. Our enterprise-wide Human Rights Statement was updated in October 2023 to emphasize these commitments, including the protection of religious communities, indigenous peoples, migrants and refugees. We also specified that bonded labor is a type of modern slavery and thus not permitted in any form.

This commitment to upholding human rights is also reflected in our policies and actions toward our employees, suppliers, clients and the communities and countries where we do business. As stated in the BNY Code of Conduct, we require that all employees be treated with fairness, dignity and respect at work. We are committed to preserving human rights by instituting policies and statements that help prevent human rights abuses and modern slavery in our operations and value chain:

[BNY Code of Conduct](#)

[Drug- and Alcohol-free Workplace Policy](#)

[Equal Employment Opportunity/Affirmative Action \(EEO/AA\) Policy](#)

[Gender Equality Statement](#)

[Health and Safety Statement](#)

[Human Rights Statement](#)

[Modern Slavery Statement](#)

[Notice of Affirmative Action Programs and Notice to Veterans and Individuals with Disabilities](#)

[Sexual and Other Discriminatory Harassment Policy](#)

[Supplier Code of Conduct](#)

What Guides Us

When determining our approach to respecting human rights, we look to leading international standards, such as the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labor Organization (ILO) Core Conventions. We are further guided by our participation as a signatory to the UN Global Compact.

Our Human Rights Statement, related corporate codes of conduct, governance framework, core values and a dedication to training encompass the foundational principles that drive our efforts to safeguard human rights. Together, these tools empower our employees and contractors to report and escalate concerns of unethical conduct, such as corruption, discrimination, harassment, child labor, prison labor, forced labor or slavery in any form.

BNY convenes a Human Rights and Modern Slavery Advisory Council to enhance governance and inform strategy and review effectiveness. This dedicated team is composed of a senior member and a deputy member from BNY Sustainability, the Enterprise Sourcing Office, the People Team and the Legal, Risk and Compliance Teams. The advisory council meets twice per year with additional meetings scheduled as needed.

Our human rights and modern slavery strategies are managed by BNY Sustainability, under the Enterprise Execution and Corporate Affairs Department. This central management allows for a comprehensive and more cohesive approach across all relevant functions of our company.

Educating our staff is fundamental to identifying and mitigating potential human rights and modern slavery risks. Content about protecting human rights is included in our Code of Conduct training, which is required for all employees. Key employees on our Procurement, Legal, and Risk and Compliance teams received a training on modern slavery, which provided guidance on the potential risks of modern slavery for financial institution, including how to identify these risks and how to report suspicious activity.

We help reduce the risk of human rights abuses and modern slavery by improving opportunities for vulnerable populations around the world. Through our [Impact Advising](#) program, employees volunteer their time and expertise to assisting low-income individuals and under-resourced organizations on issues related to refugee status, immigration, racial justice and social inequity.

Modern Slavery Statement:

We believe that modern slavery violates human rights. BNY expects our employees, contractors and suppliers to prevent acts of modern slavery and human trafficking from occurring within both our business and value chains. We reaffirm this commitment and our actions each year through our [Modern Slavery Statement](#), which reflects our awareness of modern slavery risks and the steps we take to prevent it.

PEOPLE AND COMMUNITIES

Our ability to Power Our Culture depends on having an engaged workforce in which everyone contributes their unique ideas and talents. Every day around the globe, we empower and equip a diverse team of over 50,000 employees to bring the energy of their perspectives to the table. We strive to create an inclusive, rewarding workplace that attracts and retains the best people to help us partner alongside clients and solve a comprehensive range of challenges.

By enabling people to thrive, we contribute to the following SDGs:



BELONGING AND INCLUSION

Belonging and inclusion is integral to our business strategy, who we are as a company, what our people experience as members of our global team and how we serve all stakeholders. It's simply good business sense to create an environment where people feel welcome to bring their different perspectives to bear on solving problems, and where they feel treated fairly. By investing in the diversity of our people we help create a high-performing culture that drives positive commercial outcomes. We are committed to promoting a sense of belonging across our organization and supporting the wellbeing of our people so that they can do their best work, build great careers and lead fulfilling lives. Rather than a stand-alone initiative, this deep commitment is embedded across our enterprise, from our supplier and business relationships to our community engagement, volunteering and philanthropy.

100%

score on the Disability Equality Index and named a Best Place to Work for Disability Inclusion

100%

on HRC Corporate Equality Index

FORTUNE'S

The World's Most Admired Companies 2024

Diversity Governance

Oversight of belonging and inclusion begins at the highest levels of our enterprise, and implementation infuses all levels. Our guiding principles are codified in policies such as our Equal Opportunity Policy in the United States and the BNY Employee [Code of Conduct](#), which prohibits discrimination.

The Global Head of Belonging and Inclusion engages with Executive Committee members and the Board of Directors on Belonging and Inclusion progress and challenges. Our global head and regional leads covering the Americas, EMEA, APAC and India work with other subject matter professionals to develop the global Belonging and Inclusion strategy. The team then consults and collaborates with People team colleagues, business leaders and the Executive Committee to adapt and implement the Belonging and Inclusion strategy locally.

Employees across the company bring fresh perspectives to our work through their membership in, and leadership of, our E/BRGs and by serving on business line and regional Belonging and Inclusion councils, whose actions align with our global strategy and priorities.

Advancing Women

While we seek to increase the representation of women at all levels, several initiatives are intended to help women advance within our organization. For example, in our EMEA region we pledged to increase senior women representation among Directors and Managing Directors from 31% to 33% and achieved this goal two years ahead of the original target of 2025 year-end. Our efforts include improved candidate sourcing, including from existing employees, and enhanced recruiting expertise and pipeline affiliates. To bolster retention and advancement, we promote a culture of sponsorship whereby senior leaders act as sponsors to advocate for and empower high-potential employees, including women. Development plans have promotion-readiness objectives and may include sponsorship or coaching to support high-potential women, and others, to advance their careers. Learn more in [Retaining Colleagues](#). We are committed to [pay equity](#) and offer flexible work options. Our employee benefit programs support life balance and provide family-friendly policies, including reproductive benefits. Learn more in [Employee Health and Wellbeing](#).

Racial Diversity

BNY works to build the best team inclusive of different backgrounds and experiences, including qualified professionals from underrepresented racial and ethnic backgrounds. Among U.S.-based BNY employees, overall

representation of individuals from underrepresented ethnic/racial backgrounds increased slightly to 39% in 2023 from nearly 38% in 2022. Continuing a multiyear trend, ethnic/racial diversity also improved year over year in our senior and mid-level leadership ranks, up to 28% and 37%, respectively. Additional details can be found in the [EEO1 Report](#) in the Appendices of this report.

Race Action in the UK.

Through our four-part UK Race Action Plan, we look to attract, advance and retain talented individuals from underrepresented racial and ethnic backgrounds in the UK while promoting a more inclusive culture. Since launching the plan in 2021, the percentage of UK employees from underrepresented ethnic/racial backgrounds has increased from 14.6% to 21.26%.²⁶ This is based on 74%+ of our UK employees who have voluntarily shared their Race/Ethnicity data. We are proud to have been recognized as a Top 25 organization in the 2023 Investing in Ethnicity Maturity Matrix for the second consecutive year. As we continue to build trust among our people, voluntary employee self-disclosure has also increased. This helps us to better measure our effectiveness and inform impactful Talent, Recruitment and Belonging and Inclusion strategies. This is an important step toward evolving and elevating employee experiences and reflecting the diverse communities where we work and the clients we serve.

Disability Inclusion

We continue our work to be an even more inclusive employer by reaching out to people with disabilities. HEART, our diverse abilities E/BRG, drives change by increasing awareness and understanding of visible and invisible disabilities and health-related conditions. These include physical and mental health issues, chronic and life health experiences, caring and dependencies, and neurodiversity. By including more people in the global financial system, we are helping to create more resilient communities and economies.

To assess and benchmark our efforts, we again participated in the Disability Equality Index. We scored 100% and were named a Best Place to Work for Disability Inclusion for the fourth consecutive year.²⁷

Through Neurodiversity Inclusion @ BNY, we attract and cultivate qualified candidates with autism, dyslexia, ADHD and other forms of cognitive diversity. This expanding program offers career paths from apprenticeship to full-time employment in India and the U.S.

²⁶ 2021 and 2023 year-end data, based on voluntary disclosures

²⁷ <https://disabilityin.org/what-we-do/disability-equality-index/2023companies/>

Pay Equity

BNY is committed to providing equal pay for equal work. To achieve our goal, we periodically review our pay practices and processes and publicly share the results. This transparency holds us accountable to our stakeholders and contributes to change. The results of our most [recent pay practices review can be found here](#). BNY is one of the few banks that has published its unadjusted pay gap analysis since 2021, comparing the 50th percentile of the defined group (women and underrepresented communities in the U.S.) against the 50th percentile of the comparison group (men or majority group). For transparency in other markets where we operate, we published our seventh annual [2023 UK Gender Pay Gap Report](#) and our [2023 Gender Pay Gap Report](#) covering our employees in Ireland.

A CATALYST FOR CHANGE

We are proud to support our employees within our own community, and we are proud to support organizations that are similarly advancing belonging and inclusion in our broader communities and across the industry.

We are a signatory to the following:

30% Club

Association of Business Service Leaders' #WorkingTogether Pledge, Poland

Chartre De La Diversite, Luxembourg

Gender Equality Charter, Belgium

Girl Scouts USA Gender Parity Pledge

HM Treasury Women in Finance Charter

Open@Work

United Nations Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bi, Trans, and Intersex People

Valuable 500

Women in Banking, Spain

Women in Finance Charter, Ireland

Women in Finance Charter, Luxembourg

Neurodiversity in Business

INVESTING IN OUR PEOPLE

Attracting outstanding individuals and supporting them with opportunities for continuous learning and professional growth allows us to maintain a high-performance workplace in which people can thrive and succeed.

Retention and Internal Mobility: Achieved

91%

company-wide retention rate and filled

22%

of open positions with internal candidates.

Upskilling People: Launched a new experience learning platform, new manager portal and expanded coaching program and completed a career feedback campaign.

Mental Health: Expanded wellbeing support to

12 NO-COST THERAPY OR COACHING SESSIONS ANNUALLY;

offer more targeted and faster access to mental health services personalized care recommendations.

Family Leave:

10 DAYS

annual leave for planned care or unplanned emergencies to support immediate family.

Parental Leave:

16 WEEKS

of paid leave at 100% salary (applied equally regardless of gender or circumstances, e.g., adoption, foster care, surrogacy, LGBTQ+).

Work from Anywhere: Eligible employees can work from anywhere for

TWO WEEKS EACH YEAR.*

* This is generally limited to countries where we have offices.

Employee Engagement: Achieved a Net Promoter Score (NPS) of 34, which is relatively constant from 2022 and above the benchmark for the Finance industry.

Attracting and Equipping Future Talent

Attracting outstanding individuals from all backgrounds to our organization is vital to creating an inclusive economy and helps us remain a global leader in financial services. To accomplish this, we offer a number of programs to attract and equip a wide range of qualified candidates early in their careers.

Early identification programs in the U.S. feature our three-module Freshmen JumpStart Program and our one-day Sophomore Summit. In addition, we globally offer a summer internship program and a one- and two-year analyst program. In 2023, we hosted the largest and most global internship class in our company's history — a class twice the size of the previous year — at 31 offices around the world.

In the UK, strategic pipeline alliances help us tap into a broader, more diverse talent pool. We participated in the Diversity Project's Investment Springboard Program with the objective of enabling talent from lower socioeconomic backgrounds to access meaningful careers. Our collaboration with STEM Women and Bright Network in the UK gives us access to these organization's online and in-person events and job fairs. Our four-year apprenticeship program in the UK provides experience across financial services for students pursuing a related degree or professional-level qualification, funded by BNY.

We cultivate aspiring technology professionals through a mentorship program with community colleges in the New York and Pittsburgh areas. Eligible mentorship participants

can apply for an internship with our Future Talent Program, a six-week early career development program designed to strengthen professional and technological acumen.

From seeking out diverse candidates to advancing colleagues, we have structured our hiring and talent development process to promote equal access for people from nontraditional backgrounds.

- We engage with professional associations, educational institutions, think tanks and nonprofits that reach talent from backgrounds currently underrepresented in our workforce. Our relationships with external diversity organizations include Anita Borg - Grace Hopper, National Society of Black Engineers, National Association of Black Accountants, Association of Latin Professionals for America and The Richard Tapia Conference.
- We engage nontraditional candidates, such as those reentering the workforce after an extended leave of absence. In 2023 BNY engaged former employees in a new 26-week, paid returnship for professionals returning to the workforce after a career break.
- We equip hiring managers with resources, tools and training, such as a recruitment process checklist and an Inclusive Hiring course.

Developing Our People

At BNY, our culture empowers our people to grow, take risks and be themselves. We aim to support lifelong learning by providing opportunities for our people to acquire the skills and competencies they seek and we need. BNY monitors and responds to learning and development trends and the changing needs of both our people and our organization. In collaboration with industry-leading vendors, we recalibrate and deliver programs that are designed to be highly competitive and aligned to employee interests and expectations for professional growth.

Talent Development Programs

We aim to provide employees with opportunities to gain the skills they need to advance within our organization and into the future. This requires continuously upskilling and re-skilling. We strive to offer a range of development and training programming delivered through a variety of delivery methods to accommodate various learning styles. In 2023, 22% of open positions were filled by internal candidates. We believe this is evidence of the strength of our learning and development offerings, including:

- Creating a learning strategy to support an enterprise-wide transformation program by providing end-to-end offerings
- Sales and Relationship Manager training attended by over 900 employees

In 2023 we piloted a third-party learning experience platform, to help us execute on our strategic pillars and define the next chapter of BNY by building skills for today and growing skills for tomorrow. The platform is a single point of entry to a rich and diverse selection of content from leading learning providers. Following the launch of the platform to nearly 12,940 engineering employees in November 2023, we rolled out the program to the entire company in early 2024.

Growing Strong Leaders

Embedding leadership skills across our organization is a key focus. Our first-line managers, directors and future people-leaders participate in comprehensive leadership development programs that set them up for success. We provide training to equip managers and senior leaders with the skills to create an effective work environment that aligns with current workforce needs and the direction of our future of work.

Our signature programs start by developing those who aspire to lead others and continue through our most senior leaders. We expanded our six-stage model from Aspiring Leader to Senior Executive in 2023 by adding all Strategic Growth locations for our Aspiring Leader and Vice President Development Program and running a global Senior Leadership Program.

Signature Programs: We launched a full suite of programs targeting participants across all stages of their leadership journey and achieved 1,689 completions by year-end.

Leader Labs: 654 live program completions.

MyManager Hub: Within the first year of launch, this new resource attracted 63,406 site visits.

Retaining Colleagues

Retaining talented and skilled employees reflects the health of an organization and contributes to its success. To retain valued employees, we implement a global retention approach tailored to the workforce needs in each region. We monitor this important indicator by tracking employee retention both globally and regionally. In 2023, our company-wide retention rate was 91%, which represents a 6% increase from 2022.

We seek to cultivate internal talent pipelines, support high-potential employees with development plans and support career mobility. Our suite of mentoring and sponsorship programs contributes to retaining and advancing high-potential talent and supports a strategy to diversify senior leadership and retain talent. Key programs include:

International Sponsorship. In June 2023 we completed our inaugural International Sponsorship Program where mid-level and senior leaders from underrepresented groups were sponsored by executives across APAC, EMEA, India and LATAM regions to increase visibility, expand senior networks and identify pathways for career advancement.

30% Club Cross-Company Mentoring. With the objective of strengthening the talent pipeline, we continue to participate in the 30% Club cross-company mentoring program, Mission Gender Equity, in EMEA and the U.S. In the U.S., our BNY cohort consisted of high-performing, mid-career women mentees from underrepresented groups to support the advancement of this intersectional community.

Gettysburg Staff Ride. This 3-day program hosted by our Veterans Network brought together a cohort of global leaders from across the organization to experience this unique leadership development opportunity. The cohort visited the Gettysburg National Military Park and explored topics including communicating strategic vision, avoiding cognitive bias and adapting leadership style.

Performance Management

Our annual performance management process plays a critical role in building a high-performance culture and aligning our people with our strategy. It includes both continuous feedback and coaching as well as two formal reviews annually. We expect manager and team member conversations to create a rich feedback loop to reinforce performance standards and to fuel ongoing professional development. Employees are formally evaluated against mutually developed results-based individual goals as well as corporate-wide Power Our Culture goals. Employees receive individual performance ratings that help inform compensation planning and align their compensation with performance.

Compensation

Ensuring that our employees are compensated competitively and fairly is a priority for BNY. Supporting our employees' financial wellbeing is important to retain global talent. Performance-linked compensation provides a tangible incentive for employees' contributions.

We also believe that offering employees the opportunity to own a stake in the company they work for can enable them to share and participate in our company's commercial success and potentially give them the opportunity to build wealth. Thus, we launched our BK Shares program in February 2023 to grant shares to 45,000 employees who did

not previously receive stock as part of their compensation. This program was extended at the end of 2023 to include eligible employees who joined the company in 2023. Through this program, many employees can become first-time participants in the capital markets that they help to serve.

Fair Pay

We demonstrate our commitment to fair pay by investing significant resources to achieve this goal. As of March 1, 2024, BNY increased the minimum hourly salary rate for employees based in the U.S. by 12.5% from \$20.00 to \$22.50 per hour, over three times the federal minimum wage.²⁸

In further evidence of our commitment to fair pay, we have received accreditation from the UK Living Wage Foundation (the Foundation) for paying the UK Living Wage, as defined by the Foundation, to all our UK employees. We have also worked closely with our UK suppliers to confirm they pay the Living Wage as well. We intend to review this annually to continue our commitment.

Employee Engagement

Our people generate the innovations, administer the programs and deliver the services that enable our success day by day and year to year. A collaborative, inclusive and diverse workplace is essential to being more for our clients and powering our culture. We are focused on keeping our global workforce engaged and motivated to

drive our business outcomes and have been successful in maintaining our overall engagement levels at or above industry benchmark for 2023.

Listening to Employee Feedback

We seek out employee viewpoints and act on them. We continuously collect and measure employee feedback to provide managers with ongoing information on employee sentiment. The latest enterprise-wide survey revealed that in 2023 employee engagement overall increased to 34 net promoter score and is trending up across all regions. Key findings show that goal setting was the highest-rated experience by our employees. Manager support and healthy peer relationships were also highlighted as strengths. We attribute these strong results to several recent initiatives, such as launching MyManagerHub, a knowledge center for people leaders with resources to support talent attraction, growth and opportunities, conducting a Leader Lab for Coaching & Feedback, and providing more transparency around reward processes.

European Works Council. In several European countries/ jurisdictions where BNY operates, employees are represented through formalized internal work councils or staff delegations that are based on a legal framework. Work council members elected by the employees meet on a regular basis to be informed and consulted by management on the progress of the business.

²⁸ <https://www.bnymellon.com/us/en/about-us/newsroom/company-news/bny-mellon-announces-expanded-mental-health-benefits-and-increased-minimum-wage-for-us-employees.html>

Employee-Led Inclusion

With more than 12,000 unique members, our six [Employee/Business Resource Groups](#) (E/BRGs) engage employees and power our culture. Functioning as business impact groups, they help provide a supplemental support system, community of belonging and peer networks for our people throughout their career journey. These dynamic groups find creative ways to reach fellow employees and are at the heart of our inclusion efforts.

Expanding Membership in India. Inaugural Belonging and Inclusion Expos held in Pune and Chennai engaged more than 5,000 employees through conferences, workshops, E/BRG kiosks and several learning spaces. The Expos were designed to foster partnership among stakeholders, both internal and external, as well as the Community team and Wellbeing team. Following the Expos, more than 200 employees committed to become Inclusion Ambassadors, and more than 2,000 employees joined respective E/BRGs in India, raising the overall membership to around 21% of our employees in India.



Brandon Copeland, former professional football player and financial literacy advocate, helped lead an important discussion for our interns and E/BRG supporters. During the event hosted by two of our six E/BRGs and the Office of Belonging and Inclusion, Brandon shared his perspective on financial empowerment for the next generation and paying it forward.



Employee Recognition

Creating a culture of recognition helps us to retain top talent, increase employee engagement and encourage high performance. Managers and employees use our VIP Recognition Program to spotlight performance-related achievements not just for what they achieve, but also for how they do work with colleagues to drive meaningful progress. As a firm, we also recognize personal and professional moments, including new-hire welcome, birthdays, years of service and self-care wellbeing goals. More than 76,387 recognitions were awarded in 2023, representing a 31% increase in peer-to-peer recognitions from 2022 to 2023.

Employee Health and Wellbeing

Supporting employees and their families in a changing world is essential to our continued success. Our health and wellbeing programs are designed to help employees reach their professional and personal goals.

We offer competitive, comprehensive programs ranging from mental health and financial protection to healthcare and time off to meet the current needs of employees and their families. Changes and enhancements are based on survey feedback and regional market analysis. For example, we enhanced our mental health services by offering faster access to 12 no-cost sessions (an increase from five), a zero-cost premium medical plan option for U.S. employees

earning less than \$75,000 annually, and continued access to voluntary insurances, savings and retirement plan options to support financial wellbeing. We also acknowledge and support the importance of taking time off to care for ourselves and loved ones in a variety of ways, including providing all employees with global leave options, such as Caregiver, Bereavement and New Parent Leaves.

Supporting better mental health in the workplace can create a sense of belonging and connection for employees and help them deal with the present and growing stressors in society. During 2023, we augmented our existing mental health support and resources in the following ways.

Early Career Wellbeing Events. To reinforce the importance of caring for ourselves mentally and physically, we hosted a variety of sessions for campus interns and analysts on topics such as “Imposter Syndrome” and “Work-Life Balance.”

One Mind at Work Membership. Through the membership, we are part of a global coalition of leaders who have access to evidence-based practices to build and sustain a workplace culture that prioritizes the mental health of the workforce.

Moments That Matter Sessions. With disasters, intense global conflict and societal change heightening anxiety, we introduced a three-part webinar series for employees, leaders and parents to learn more about how to discuss sensitive issues, engage in self-care and inspire others.

Recharge Period. To show our appreciation for all that our people accomplished during 2023, we introduced an end-of-year recharge period. We designated the last two weeks of the year as a “quiet period” for employees to narrow their focus to client and core business activities only, postponing routine items until the new year.

Expanded Mental Health Champion Network. By growing our presence across regions and partnerships with E/BRGs, this global network of trained employees helps advocate for a psychologically safe and supportive working environment that supports diverse representation in mental health education and awareness.

These offerings build on a foundation of other resources, including a personal resilience app to teach practical skill building. We also deliver mandatory manager mental health training with case studies to easily identify employees who might be struggling and targeted content for new managers on the importance of creating a psychologically safe work environment.

EMPOWERING COMMUNITIES

BNY remains focused on making a positive impact on the world, with a focus on the communities where our employees live and work. We bring the full firm to bear on some of today's greatest challenges by marshalling corporate grants and employee giving, time and talent to empower nonprofits and uplift the communities they serve.

Philanthropy is a collaborative effort, and we work with leading nonprofits and nongovernmental organizations to build and scale impactful programs while working internally across the organization with colleagues in Community Banking & Solutions, Talent, and Belonging and Inclusion, Legal and members of the company's E/BRGs to magnify our positive impact. This builds on our legacy of giving back, strengthens our culture and capitalizes on the creativity and capabilities of our people.

Total Global Community Support

\$36.3M²⁹

Corporate Grants and Sponsorships

\$20M

Foundations Giving

\$5.3M

Preparing the Workforce of the Future

BNY made a \$20 million philanthropic commitment in 2020 to fund programs that prepare the workplace of the future by creating equitable career pathways in business, technology and STEM fields. In 2022, we fulfilled our multiyear commitment and have surpassed that funding goal with the continuation of programmatic investments in 2023. As part of this effort, we launched the BNY Mellon Transfer Scholarship Program at the City University of New York (CUNY) and the BNY Mellon Early College in High School Program at the Community College of Allegheny County (CCAC). Additional impacts at these educational institutions include the following:

- BNY's funding of paid internships for CUNY students has unlocked over \$13 million in city and state allocations for student wages, resulting in an additional 2,700 students total placed in paid internships, of which 100 were Internship-to-Employment participants in 2022/2023. CUNY's summer 2023 Internship to Employment program placed 100 recent graduates into paid internships where at least half will convert to full-time employment upon completion of the internship.

²⁹ This includes employee giving, corporate matching gifts, the value of pro bono volunteerism, foundations giving, and corporate grants and sponsorships. It does not include an additional \$5 million contributed to The Bank of New York Mellon Foundation by The Bank of New York Mellon.

- More than 800 students that graduated with their associate degree through the support of the CUNY ASAP program were able to continue their bachelor's degree at senior CUNY colleges due to grants through the BNY Mellon Transfer Scholarship Program.
- More than 300 CCAC students have participated in the BNY Mellon Early College in High School program since its inception.

Globally, our developing the workforce of the future funding has supported programs that achieved critical outcomes such as:

- 56% of incoming trainees in the Spring 2022 cohort of the NPower workforce development program were unemployed. At the end of 2023, 84% of graduates were employed or enrolled in continuing education and their starting salaries averaged \$53,320.
- 87% of students who completed the financial education program funded by BNY and delivered through Aidha in Singapore increased their monthly savings, and the average savings increase across all students was 47% from \$130 to \$192.
- In India, educators have been equipped with enhanced pedagogical techniques, technological proficiency and effective soft skills at the Faculty Skills Development Program at the Indian Society for Technical Education.
- 96% of The Advanced Leadership Institute (TALI)'s recent Executive Leadership Academy program alumni received

promotions/increased responsibility within two years of graduation.

- The Centre for Skills Development at Maharshi Karve Stree Shikshan Samstha, established by BNY in 2018, has provided targeted training in employability skills, impacting over 10,000 individuals to date.

Helping to Build an Inclusive Economy

The next phase of our philanthropy strategy will build on our accomplishments developing the workforce of the future.

Going forward, we intend to steer our philanthropic investments to programs and organizations that can create more equitable access to the financial tools and services necessary for everyone to participate in the mainstream financial system. We believe this can promote economic security and spur social mobility for those who have been historically excluded from financial prosperity.

Innovating for Local Solutions

Community entrepreneurs and businesses in southwestern Pennsylvania advanced new technology-based solutions to help solve local issues through the sixth cycle of the UpPrize Social Innovation Challenge. This program provides funding, training and mentoring to companies that are innovating to solve social issues related to racial equity, economic justice and sustainability. Fully funded by the BNY Mellon Foundation of Southwestern Pennsylvania,

and powered by Innovation Works, the program awarded \$350,000 in prize monies to the top 4 finalists selected from a pool of 70 applicants in 2023.

Philanthropy Competitions

We also utilize competitions to stimulate fresh thinking and engagement among our employees. In our London office, colleagues competed to win grants for charities focused on economic empowerment for underserved communities in the UK. Grants ranging from \$10,000 to \$40,000 were awarded to nonprofits, including Street League and Walking With The Wounded.

In addition, our second annual Business for Good Case Competition challenged teams of summer interns to propose the “next big idea” to increase our impact in relation to the United Nations Sustainable Development Goals (SDGs). In this unique business school-style case competition, interns conducted research and participated in nonprofit-led masterclasses to develop proposals to related to one of four identified SDGs. A panel of judges from BNY and the UN Foundation awarded first prize to the proposal to outfit our new central Florida campus with solar panels, a rooftop garden and water reclamation system.

Disaster and Humanitarian Response

As part of our commitment to protecting human rights and giving back to the community, we also empower our employees to respond to emerging needs globally, such as humanitarian crises and disasters. In 2023, we launched double-matching employee-giving campaigns as well as other matching campaigns for various humanitarian crises.

Pro Bono Programs

BNY's Impact Advising program capitalizes on our greatest resource — our people. Through this program, our legal, technology, human resources and communications professionals assist low-income individuals and under-resourced organizations. By applying their skills in new contexts, our employees can develop further skills, gain a better understanding of the communities we serve, and provide valuable and needed assistance to these communities.

Legal Pro Bono Advising. In markets around the globe, BNY lawyers and staff volunteer to support and advance human rights for disadvantaged populations. Their efforts focus on assisting immigrants and refugees, advancing racial justice, and taking action against inequities. During 2023, more than 160 BNY lawyers and staff contributed nearly 1,500 hours of pro bono work for underserved clients of more than 23 legal services organizations globally. Increasingly, our legal

team volunteers partner with colleagues from across the business, as well as with E/BRGs and our Belonging and Inclusion team, to multiply the impact of their efforts.

BNY was chosen, along with the law firm Mayer Brown, to receive the 2023 City Bar Justice Award from the City Bar Justice Center in recognition of our work with the Center. This work included authoring a report on access to technology in homeless shelters, hosting a naturalization clinic as part of Financial Institution Pro Bono Day, and staffing the Center's Homeless and Pro Se Discovery clinics. BNY also received the Pro Bono Institute's 2023 Corporate Pro Bono Partner Award for our work on Justice In Action in partnership with the law firm Baker McKenzie.

Corporate Impact Advising. Professionals from across all disciplines of our firm share their expertise with mission-driven nonprofit organizations and minority-run small businesses, building their capacity and fueling growth. These collaborations often tackle challenges related to inequality and the environment — issues that affect communities and businesses alike. Applying their business acumen to social and environmental challenges not only allows our employees to engage creatively and collaboratively in new environment but it also boosts our partners' impact.

Our volunteers can choose to serve through our intensive, multi-week Cross-Sector Fellowship and/or one-day, marathon-style Pro Bono Accelerator. In 2023, nearly

78 company experts from finance, technology and marketing provided consulting and technical assistance to organizations through our corporate pro bono programming. These efforts benefited organizations dedicated to a wide array of causes. Through these projects, our employees created a data-driven pricing model, designed a professional development plan and developed an annual operating budget, among other deliverables.

Value of Pro Bono Volunteering³⁰

\$886,000³¹

³⁰ Valuation Guide: Giving in Numbers Survey, CECP, 2023

³¹ Data includes Signature and Legal Pro Bono Programs for 2023

Employee Volunteering and Giving

We incentivize our employees to volunteer and give back to the communities where they live and work and to support the causes and organizations about which they are passionate. BNY's year-round Community Impact program offers our employees several ways to engage in purpose-driven volunteerism and increase the impact of their time and financial contributions. Eligible employees may take up to three days of paid time off to volunteer per year with nonprofits of their choice and, during 2023, employees volunteered 137,000 hours, 26% of which were skills-based. Using their general professional experience, our people mentor, serve on boards, coach and educate others, often serving some of society's most underserved populations. These efforts contribute to the deep reservoir of trust the company enjoys in the marketplace.

BNY provides a \$1 for \$1 company match for employee donations to approved charities and matching donations of \$25 per hour for volunteer time spent in support of approved charities up to \$5,000 annually. In addition, during our annual Giving Tuesday campaign, the firm provided a 2:1 match for all approved nonprofit organizations and provided a list of climate and sustainability-focused nonprofits to employees. During this campaign, employees in 14 countries raised \$1.5 million. With an enhanced focus on employee engagement, we celebrated our first annual Community Week, which empowered employees to volunteer 3,700 hours with charitable organizations serving essential community needs.

Employee Giving

\$3.3M

Company Matching Donations³²

\$7.4M

A Shared Commitment

We expect the recipients of our philanthropic funding to share our commitment to protecting human rights. We require nonprofit organizations, such as charities and nongovernmental organizations, applying for financial sponsorship or donations to certify compliance with our Non-Discrimination Policy Certification for Non-Profits and to complete a thorough vetting process.



³² This amount includes funds provided by the Bank of New York Mellon Foundation of Southwestern Pennsylvania. Includes 2023 employee-directed donations and associated company matches paid in 2024.

APPENDICES

[About This Report](#)

[Materiality](#)

[Global Reporting Initiative \(GRI\) Index](#)

[Sustainable Accounting Standards Board \(SASB\) Index](#)

[Task Force on Climate-Related Financial Disclosure \(TCFD\) Index](#)

[People Data EEO-1](#)

[Workforce Metrics](#)

[Verification Opinion Declaration: Greenhouse Gas Emissions](#)

[Legal Notices](#)

ABOUT THIS REPORT

We publish this report annually, on www.bny.com. All data in the report is as of December 31, 2023, unless otherwise noted. The Appendices contain our disclosures to the Global Reporting Initiative (GRI) Standards, and for the first time, we are providing disclosures based on the Sustainability Accounting Standards Board (SASB) standards. Further, our disclosure based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) can be found in [Managing Climate-related Impacts](#).

In 2023 we retired our 2025 Enterprise ESG Goals in order to look ahead to setting new goals aligned with our new strategy, based on evolving stakeholder feedback, global trends and our own business strategies. We continue to report progress on our 2025 Environmental Sustainability goals within this report.

Additional information about our sustainability performance can be found in our [Annual Report](#) and [Proxy Statement](#), regulatory filings, dedicated sustainability content on our [website](#) and other public documents. The following documents further describe our sustainability commitments and approach.

With this report, we reaffirm our support of the 10 Principles of the UNGC.

[2023 Proxy Statement](#)

[BNY Annual Report 2023](#)

[BNY Code of Conduct](#)

[BNY Sustainability Commitment Statement](#)

[BNY Environmental Sustainability Policy Statement](#)

[BNY Human Rights Statement](#)

[BNY Modern Slavery Statement](#)

[BNY Supplier Code of Conduct](#)

[Sustainability pages of our website](#)

We welcome your comments on this report or any of our others via the [contact form](#) on our website.

MATERIALITY

In order to manage our sustainability impacts and opportunities for the long run, we focus on those topics most material to our various stakeholders. In late 2023 we began a double materiality assessment and plan to use the results to inform our sustainability strategy and related disclosures for 2024. The results of the assessment will be shared in future disclosures.

Given the continually evolving nature of sustainability, the topics addressed in the report are not meant to be exhaustive but rather highlights of our key focus areas. In addition, different sustainability-related requirements and standards continue to emerge in jurisdictions around the world, including jurisdictions in which we operate. Global regulators have, and may continue to take, differing approaches on “materiality” in the context of sustainability reporting.

While certain matters discussed in this report may be important to many of our stakeholders, this importance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations, or other legal standards applicable elsewhere in the world, even if we use the word “material” or “materiality” in this report.

Stakeholder Engagement

On an ongoing basis, we actively engage with our stockholders and strategically interact with a range of other stakeholders through different channels to solicit and analyze feedback and help inform our business and sustainability initiatives. BNY is intensely focused on elevating our overall client experience, bringing the power of our enterprise to our clients, and making it easier to do business with us. We recently asked strategic clients for open and candid feedback as we continue our transformation journey.

We are pleased to report that 92% of respondents are satisfied or very satisfied with their relationship, and 88% feel BNY is well positioned to support their long-term strategic priorities. This feedback is a testament to the trust they place in BNY.

However, we also heard feedback on several areas where we can be more for our clients. We have reflected on this feedback and identified the following areas for improvement:

Create better cross-company coordination to create a consistent service delivery experience.

BNY Response: We are bringing together many of our client service and operations teams to create more alignment, share best practices and break down silos to create a common experience across our enterprise.

Empower BNY relationship managers to help move business forward.

BNY Response: We are better enabling our relationship managers to be our clients’ strategic partners and bring them solutions from across the full financial life cycle to help drive their business forward.

Expand and enhance our products and services.

BNY Response: We are continuing to build our suite of platforms and offerings, as well as incorporating advanced technologies, such as artificial intelligence, to help accelerate client innovation and enable their priorities.

Deliver data and insights relative to market, economic and investment trends.

BNY Response: We recognize the role that we play in financial services puts us in a unique position to provide you more market insights and thought leadership.

Beyond this in-depth client feedback, the table on the right highlights our key stakeholder groups and engagement approach.

Stakeholder Group	Engagement Approach
Clients	Advisory boards and idea-sharing conferences Direct conversations Satisfaction and engagement surveys
Industry & Public Policy	Conversations Feedback
Investors	Annual and quarterly reports Annual Meeting of Stockholders Financial Services events Proxy voting Webcasts and conference calls Proactive outreach meetings on sustainability and other key initiatives
Employees	Employee/Business Resource Groups (E/BRGs) Engagement surveys Performance management and development programs Town Hall meetings Sustainability Certification Program Sustainability Briefing Calls Sustainability intranet page
Communities	Employee volunteering and employee giving Nonprofit board memberships and financial support partnerships (grants and sponsorships)

GRI INDEX

The following is supplemental information to BNY’s 2023 Sustainability Report. BNY has reported in accordance with the Global Reporting Initiative (GRI) Standards (revised Universal Standards and the Topic Standards relevant to BNY) for the period January 1 to December 31, 2023. All data is reported as of December 31, 2023, unless otherwise noted. This index provides responses for individual GRI indicators in the following ways: (1) section and page references to our 2023 Sustainability Report; (2) direct responses within the index; (3) references to other company reports (e.g., Annual Report or Proxy Statement); or (4) materials located on our website.

Standards	Disclosure	Location / Our Response
GRI 1: Foundation 2021 used		
GRI 2: General Disclosures 2021	2-1 Organizational details	Annual Report 2023: <ul style="list-style-type: none"> • General, pg. 3 • International Operations, pg. 20 • Corporate Information, pg. 211
	2-2 Entities included in the organization’s sustainability reporting	Form 10-K 2023: <ul style="list-style-type: none"> • Item 1. Business, Description of Business, pg. 5 BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • About This Report, pg. 103
	2-3 Reporting period, frequency and contact point	BNY 2023 Sustainability Report, About This Report, pg. 103 The BNY 2023 Sustainability Report was published in July 2024.

	2-4 Restatements of information	There have not been any restatements of information made from the previous reporting periods.
	2-5 External assurance	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing For the Long Term, Environment, Managing Climate-Related Impacts, Metrics and Targets, Independent Verification, pg. 62–66 • Verification Opinion Declaration Greenhouse Gas Emissions, pg. 126
	2-6 Activities, value chain and other business relationships	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • BNY Overview, pg. 6 • Managing For the Long Term, Responsible Business, Supply Chain, pg. 83–84 Annual Report 2023: <ul style="list-style-type: none"> • Review of Business Segments, pg. 12 • International Operations, pg. 20–22 Political Engagement Form 10-K 2023: <ul style="list-style-type: none"> • Item 1. Business, Description of Business, pg. 5

2-7 Employees	<p>Annual Report 2023:</p> <ul style="list-style-type: none"> International Operations, pg. 20–22 <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing For the Long Term, People and Communities, Belonging and Inclusion, Global Gender Diversity, pg. 109 EE0-1 Report, pg. 108 <p>Data is not available to show the breakdown by gender and region for permanent, temporary, non-guaranteed hours, full-time and part-time employees, due to data collection constraints in some regions.</p>
2-8 Workers who are not employees	Not applicable as BNY does not rely significantly on workers who are not employees to perform its work, in comparison to employees.
2-9 Governance structure and composition	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Corporate Governance and Board Information, pg. 21–43 Item 1 - Election of Directors, Director Qualifications, pg. 18 <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11
2-10 Nomination and selection of the highest governance body	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Director Nomination Process, pg. 23-25
2-11 Chair of the highest governance body	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Board Leadership Structure, pg. 30 Item 1 - Election of Directors, Director Independence, pg. 30–32

2-12 Role of the highest governance body in overseeing the management of impacts	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Our Approach to Sustainability, pg. 34–36 Item 1 - Election of Directors, Committees and Committee Charters, pg. 40 (see CGNSR Committee Charter) <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11 Clients and Partners, Trust, Corporate Governance, pg. 36–38
2-13 Delegation of responsibility for managing impacts	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11 Clients and Partners, Trust, Corporate Governance, pg. 36–38
2-14 Role of the highest governance body in sustainability reporting	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Committees and Committee Charters, pg. 40 (see CGNSR Committee Charter) <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11
2-15 Conflicts of interest	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Corporate Governance and Board Information, Director Nomination Process, pg. 23–25 <p>The Bank of New York Mellon Corporation Directors' Code of Conduct</p>

	2-16 Communication of critical concerns	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Our Corporate Governance Practices, pg. 20–30 <p>The Bank of New York Mellon Corporation Corporate Governance Guidelines</p> <p>Communications with Independent Chairman</p> <p>Data is not currently made publicly available regarding the number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.</p>
	2-17 Collective knowledge of the highest governance body	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Committees and Committee Charters, pg. 40 (see CGNSR Committee Charter) <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Clients and Partners, Trust, Corporate Governance, pg. 36–38
	2-18 Evaluation of the performance of the highest governance body	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Evaluation of Board and Committee Effectiveness, pg. 26–28 <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Clients and Partners, Trust, Corporate Governance, pg. 36–38

	2-19 Remuneration policies	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Compensation Principles and Practices, pg. 8–9 Item 1 - Election of Directors, Director Compensation, pg. 44–46 Item 2 - Advisory Vote on Compensation, Introduction, pg. 47–54 Additional Information, Equity Compensation Plans, pg. 104 <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Trust, Corporate Governance, Executive Compensation, pg. 38
	2-20 Process to determine remuneration	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Compensation Principles and Practices, pg. 8–9 Item 1 - Election of Directors, Director Compensation, pg. 44–46 Item 2 - Advisory Vote on Compensation, Introduction, pg. 49–54 Additional Information, Equity Compensation Plans, pg. 104
	2-21 Annual total compensation	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> Item 2 - Advisory Vote on Compensation, Introduction, pg. 49–54 Item 2 - Advisory Vote on Compensation, Pay Ratio, pg. 88
	2-22 Statement on sustainable development strategy	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Message from our CEO, pg. 3

	2-23 Policy commitments	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing for the Long Term, Responsible Business, Compliance and Ethics, pg. 78-79 (see also the Employee Code of Conduct) Managing for the Long term, Environment, Environmental Sustainability, pg. 72-76 (see also Environmental Sustainability Policy Statement) Managing for the Long term, Responsible Business, Protecting Human Rights, pg. 85-86 (see also Human Rights Statement)
	2-24 Embedding policy commitments	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11 Managing for the Long Term, Responsible Business, Compliance and Ethics, pg. 78-79 (see also the Employee Code of Conduct) Managing for the Long Term, Environment, Environmental Sustainability, pg. 72-76 (see also Environmental Sustainability Policy Statement) Managing for the Long Term, Responsible Business, Protecting Human Rights, pg. 85-86 (see also Human Rights Statement)
	2-25 Processes to remediate negative impacts	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing for the Long Term, Responsible Business, Protecting Human Rights, pg. 85-86 <p>(see also Human Rights Statement and the Employee Code of Conduct)</p>

	2-26 Mechanisms for seeking advice and raising concerns	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing for the Long Term, Responsible Business, Compliance and Ethics, Escalation and Speaking Up, pg. 78 <p>Employee Code of Conduct</p> <p>The Bank of New York Mellon Corporation Directors' Code of Conduct</p>
	2-27 Compliance with laws and regulations	<p>Annual Report 2023:</p> <ul style="list-style-type: none"> Legal Proceedings, pg. 189-192
	2-28 Membership associations	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Clients and Partners, Sustainable Solutions, Support for Sustainable Initiatives, pg. 27 Managing For the Long Term, Responsible Business, Public Policy, pg. 79 (see also Political Engagement) Managing For the Long Term, Responsible Business, Supplier Diversity, pg. 83-84.
	2-29 Approach to stakeholder engagement	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Appendices, Materiality, Stakeholder Engagement, pg. 104
	2-30 Collective bargaining agreements	<p>Employee Code of Conduct (see pg. 6 for 'How to report a concern')</p>

Material Topics		
Standard	Disclosure	Location / Our Response
GRI 3: Material Topics 2021	3-1 Process to determine material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Appendices, Materiality, pg. 104
	3-2 List of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Materiality, pg. 104
	3-3 Management of material topics	The management of material topics is included in the topic disclosures within this GRI Index (GRI 3-3).

Economic Performance		
Standard	Disclosure	Location / Our Response
GRI 201: Economic Performance 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing For the Long Term, Responsible Business, Compliance and Ethics, Tax Transparency, pg. 65 (see also BNY Global Tax Strategy) Annual Report 2023: <ul style="list-style-type: none"> • Financial Results and 2024 Priorities, IV–XIII

	201-1 Direct economic value generated and distributed	Annual Report 2023: <ul style="list-style-type: none"> • Financial Summary, pg. 2 • Noninterest Expense, pg. 11 BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing For the Long Term, People and Communities pg. 98–101 • Client and Partner, An Inclusive Economy, pg. 17–21
	201-2 Financial implications and other risks and opportunities due to climate change	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing For the Long Term, Managing Climate-Related Impact, Climate Risk Management, pg. 51–62
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report 2023: <ul style="list-style-type: none"> • Note 18–Employee Benefit Plans, pg. 170
	201-4 Financial assistance received from government	Annual Report 2023: <ul style="list-style-type: none"> • Note 12 – Income Taxes, pg. 162–163 (see also BNY Global Tax Strategy) 2024 Proxy Statement: <ul style="list-style-type: none"> • Additional Information, Information on Stock Ownership, pg. 105–106

Indirect Economic Impacts		
Standard	Disclosure	Location / Our Response
GRI 203: Indirect Economic Impacts 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Clients and Partners, Sustainable Solutions, pg. 22–34 • Managing For the Long Term, People and Communities pg. 98–101
	203-1 Infrastructure investments and services supported	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Clients and Partners, Sustainable Solutions, pg. 22–34 • Managing For the Long Term, People and Communities pg. 98–101
	203-2 Significant indirect economic impacts	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Clients and Partners, Sustainable Solutions, pg. 22–34 • Managing For the Long Term, People and Communities pg. 98–101

Procurement Practices		
Standard	Disclosure	Location / Our Response
GRI 204: Procurement Practices 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing For the Long Term, Responsible Business, Supply Chain, pg. 83–84 • Managing For the Long Term, Responsible Business, Supply Chain, Protecting Human Rights, pg. 85–86 Supplier Code of Conduct
	204-1 Proportion of spending on local suppliers	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing For the Long Term, Responsible Business, Supply Chain, pg. 83–84 The percentage of procurement budget spent on local suppliers is not available as it is not a material focus for BNY currently.

Anti-corruption		
Standard	Disclosure	Location / Our Response
GRI 205: Anti-corruption 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing For the Long Term, Responsible Business, Compliance and Ethics, Anti-Bribery and Corruption, pg. 78–79 Employee Code of Conduct The Bank of New York Mellon Corporation Directors' Code of Conduct
	205-1 Operations assessed for risk to corruption	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing For the Long Term, Responsible Business, Compliance and Ethics, Anti-Bribery and Corruption, pg. 78–79
	205-2 Communication and training about anti-corruption policies and procedures	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing For the Long Term, Responsible Business, Compliance and Ethics, pg. 78–79 • Managing For the Long Term, Responsible Business, Supply Chain, Supplier Conduct, pg. 83–84
	205-3 Confirmed incidents of corruption and actions taken	Annual Report 2023: <ul style="list-style-type: none"> • Legal Proceedings, pg. 189–192

Anti-competitive Behavior		
Standard	Disclosure	Location / Our Response
GRI 206: Anticompetitive Behavior 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing For the Long Term, Responsible Business, Compliance and Ethics, pg. 78–79 Employee Code of Conduct The Bank of New York Mellon Corporation Directors' Code of Conduct
	206-1 Legal actions for anticompetitive behavior, anti-trust, and monopoly practices	Annual Report 2023: <ul style="list-style-type: none"> • Legal Proceedings, pg. 189–192

Energy		
Standard	Disclosure	Location / Our Response
GRI 302: Energy 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing For the Long Term, Environment, Managing Climate-Related Impacts, Governance, pg. 47–48 • Managing For the Long Term, Environment, Environmental Sustainability, pg. 72–76 Environmental Sustainability Policy Statement

	302-1 Energy consumption within the organization	<ul style="list-style-type: none"> a. BNY 2023 Sustainability Report: Managing For the Long Term, Environmental Sustainability, pg. 72–76 b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used: While BNY does not purchase fuel from renewable sources directly; we do purchase carbon offsets and renewable electricity products to offset all of our emissions generated from Scope 1, Scope 2 and Scope 3 business travel. c. BNY 2023 Sustainability Report: Managing For the Long Term, Environmental Sustainability, pg. 72–76 d. In joules, watt-hours or multiples, the total: Electricity sold, Heating sold, Cooling sold, and Steam sold: BNY does not sell any electricity, heating, cooling or steam. e. BNY 2023 Sustainability Report: Managing For the Long Term, Environmental Sustainability, pg. 72–76 f. Standards, methodologies, and assumptions used: BNY follows The Corporate Standard Greenhouse Gas Protocol for calculating emissions and energy use. An Operational Control boundary is used. g. Source of the conversion factors used: Conversions for Fuel and Electricity were done with the U.S. Energy Information Administration’s Energy Conversion Calculator. Steam was converted from BTU to joules using the factor: 1 BTU=1055.05585 joules as defined by the International Energy Agency’s Unit Converter
	302-2 Energy consumption outside the organization	<p>BNY follows The Corporate Standard Greenhouse Gas Protocol for calculating emissions and energy use. An Operational Control boundary is used. BNY considers energy consumed from purchased goods and services, capital goods, fuel-and-energy-related activities, upstream transportation and distribution, business travel, employee commuting, downstream leased assets, and investments relevant to our operations. For more detail on methodologies and assumptions used, please see CDP response 2020. Conversions for Fuel and Electricity were done with the U.S. Energy Information Administration’s Energy Conversion Calculator.</p>
	302-3 Energy intensity	<ul style="list-style-type: none"> a. BNY 2023 Sustainability Report: Managing For the Long Term, Environmental Sustainability, pg. 72–76 b. BNY 2023 Sustainability Report: Managing For the Long Term, Environmental Sustainability, pg. 72–76 c. Fuel, electricity and steam are included; BNY does not consume additional sources of heating or cooling. d. The ratio uses energy consumed within the organization within BNY’s operational control scope 1 and 2.
	302-4 Reduction of energy consumption	<p>BNY 2023 Sustainability Report: Managing For the Long Term, Environmental Sustainability, pg. 72–76</p>
	302-5 Reductions in energy requirements of products and services	<p>Not applicable to BNY’s business.</p>

Water and Effluents		
Standard	Disclosure	Location / Our Response
GRI 303: Water and Effluents 2018	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11 Managing for the Long Term, Environment, Environmental Sustainability, pg. 72–76 Environmental Sustainability Policy Statement
	303-1 Interactions with water as a shared resource	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> Managing for the Long Term, Environmental Sustainability, Water Conservation, pg. 74
	303-2 Management of water discharge-related impacts	Not applicable due to the nature of BNY's operations which use municipal water only. All wastewater is discharged through municipal sewerage systems.
	303-3 Water withdrawal	BNY 2023 Sustainability Report: Managing for the Long Term, Environmental Sustainability, pg. 72–76
	303-4 Water discharged	BNY does not actively track water discharge volumes, category or area. All wastewater is discharged through municipal sewerage systems.
	303-5 Water consumption	BNY does not actively track water consumption volumes, category or area. All wastewater is discharged through municipal sewerage systems.

Emissions			
Standard	Disclosure	Location / Our Response	
GRI 305: Emissions 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11 Managing for the Long Term, Environment, Managing Climate-related Impacts, Governance, pg. 47 Managing for the Long Term, Environment, Managing Climate-Related Impacts, pg. 46–71 Managing for the Long Term, Environment, Environmental Sustainability, pg. 72–76 Environmental Sustainability Policy Statement	
		305-1 Direct (Scope 1) GHG emissions	BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Managing Climate-Related Impacts, Metrics and Targets, pg. 62–69
		305-2 Energy indirect (Scope 2) GHG emissions	BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Managing Climate-Related Impacts, Metrics and Targets, pg. 62–69
		305-3 Other indirect (Scope 3) GHG emissions	BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Managing Climate-Related Impacts, Metrics and Targets, pg. 62–69
		305-4 GHG emissions intensity	BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Managing Climate-Related Impacts, Metrics and Targets, pg. 62–69
		305-5 Reduction of GHG emissions	BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Managing Climate-Related Impacts, Metrics and Targets, pg. 62–69

	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable to BNY's business.
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Not applicable to BNY's business.

Waste		
Standard	Disclosure	Location / Our Response
GRI 306: Waste 2020	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long Term, Environment, Environmental Sustainability, pg. 72–76 Environmental Sustainability Policy Statement
	306-1 Waste generation and significant waste-related impacts	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing for the Long Term, Environment, Environmental Sustainability, Waste Management, pg. 73 • Managing for the Long Term, Environment, Environmental Sustainability, Printing and Paper Use, pg. 74

	306-2 Management of significant waste-related impacts	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing for the Long Term, Environment, Environmental Sustainability, Waste Management, pg. 73 • Managing for the Long Term, Environment, Environmental Sustainability, Printing and Paper Use, pg. 74
	306-3 Waste generated	<ul style="list-style-type: none"> • BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Environmental Sustainability, pg. 72–76
	306-4 Waste diverted from disposal	<ul style="list-style-type: none"> • BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Environmental Sustainability, pg. 72–76 BNY does not produce hazardous waste.
	306-5 Waste directed to disposal	<ul style="list-style-type: none"> • BNY 2023 Sustainability Report: Managing for the Long Term, Environment, Environmental Sustainability, pg. 72–76 BNY does not produce hazardous waste.

Environmental Compliance		
Standard	Disclosure	Location / Our Response
GRI 307: Environmental Compliance 2016	GRI 3-3 Management of material topics	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long Term, Environment, Managing Climate-related Impacts, Governance, pg. 47 • Managing for the Long Term, Environment, Managing Climate-Related Impacts, Metrics and Targets, pg. 62–69 • Managing for the Long Term, Environment, Environmental Sustainability, pg. 72–76 <p>Environmental Sustainability Policy Statement</p>
	307-1 Non-compliance with environmental laws and regulations	No significant fines or sanctions related to non-compliance with environmental laws and/or regulations were imposed on BNY in 2023.

Supplier Environmental Assessment		
Standard	Disclosure	Location / Our Response
GRI 308: Supplier Environmental Assessment 2016	GRI 3-3 Management of material topics	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long Term, Responsible Business, Supply Chain, Supplier Conduct, pg. 83 <p>Supplier Code of Conduct (see pg. 15 Environmental Sustainability)</p>
	308-1 New suppliers screened using environmental criteria	<p>Supplier Code of Conduct</p> <p>The percentage of new suppliers that were screened is not available.</p>
	308-2 Negative environmental impacts in the supply chain and actions taken	<p>Supplier Code of Conduct</p> <p>The number and percentage of suppliers assessed is not available.</p>

Employment		
Standard	Disclosure	Location / Our Response
GRI 401: Employment 2016	GRI 3-3 Management of material topics	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Culture and Purpose, pg. 109, 96, 92, 95
	401-1 New employee hires and employee turnover	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Appendices, Workforce Metrics, Global Gender Diversity, pg. 109 • Managing for the Long term, People and Communities, Investing in Our People, Retaining Colleagues, pg. 94 <p>Employee retention is reported by region in place of employee turnover.</p>
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Managing for the Long term, People and Communities, Investing in Our People, Compensation, pg. 95 • Managing for the Long term, People and Communities, Investing in Our People, Employee Health and Wellbeing, pg. 47–53 <p>Annual Report 2023:</p> <ul style="list-style-type: none"> • Note 18 – Employee Benefit Plans, pg. 170
	401-3 Parental leave	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Managing for the Long term, People and Communities, Investing in Our People, pg. 92

Training and Education		
Standard	Disclosure	Location / Our Response
GRI 404: Training and Education 2016	GRI 3-3 Management of material topics	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long term, People and Communities, Investing in Our People, pg. 92–97
	404-1 Average hours of training per year per employee	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Managing for the Long term, People and Communities, Investing in Our People, pg. 92–97 • Appendices, Workforce Metrics, pg. 110 <p>The breakdown of average hours of training by genders and employee category is not currently available.</p>
	404-2 Programs for upgrading employee skills and transition assistance programs	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Managing for the Long term, People and Communities, Investing in Our People, pg. 92–97
	404-3 Percentage of employees receiving regular performance and career development reviews	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Managing for the Long term, People and Communities, Performance Management, pg. 95

Diversity and Equal Opportunity		
Standard	Disclosure	Location / Our Response
GRI 405: Diversity and Equal Opportunity 2016	GRI 3-3 Management of material topics	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long Term, People and Communities, Belonging and Inclusion, pg. 88-91 • Managing for the Long Term, People and Communities, Belonging and Inclusion, Pay Equity, pg. 90 • Clients and Partners, Trust, Strength in Diversity, pg. 37 <p>BNY Equal Employment Opportunity / Affirmative Action (EE0/AA)</p> <p>BNY Pay Equity Statement 2023</p> <p>Gender Pay Gap Report (UK)</p>
	405-1 Diversity of governance bodies and employees	<p>2024 Proxy Statement:</p> <ul style="list-style-type: none"> • Item 1 - Election of Directors, Director Qualifications, pg. 18 <p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Clients and Partners, Trust, Strength in Diversity, pg. 37 • Appendices, Workforce metrics, Global Gender Diversity, pg. 109 • Appendices, Workforce metrics, Global Gender Diversity, U.S. Ethnicity, pg. 109 • Appendices, Workforce metrics, Global Gender Diversity, UK Race & Ethnicity, pg. 110 • Appendices, Workforce metrics, Global Gender Diversity, Additional Dimension of Representations, pg. 109

	405-2 Ratio of basic salary and remuneration of women to men	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Managing for the Long Term, People and Communities, Belonging and Inclusion, Pay Equity, pg. 90 <p>BNY Pay Equity Statement 2023</p> <p>Gender Pay Gap Report (UK)</p> <p>The ratio for each employee category is not currently available.</p>
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Human Rights Assessment		
Standard	Disclosure	Location / Our Response
GRI 412: Human Rights Assessment 2016	GRI 3-3 Management of material topics	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11 Managing for the Long Term, Responsible Business, Protecting Human Rights, pg. 85–86 <p>BNY Human Rights Statement BNY Modern Slavery Statement</p>
	412-1 Operations that have been subject to human rights reviews or impact assessments	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing for the Long Term, Responsible Business, Protecting Human Rights, pg. 85–86 <p>BNY Human Rights Statement BNY Modern Slavery Statement</p> <p>The total number and percentage of operations that have been subject to human rights reviews by country is not available.</p>
	412-2 Employee training on human rights policies or procedures	<p>BNY Modern Slavery Statement (See Training)</p> <p>The total number of training hours and percentage of employees trained on human rights is not available.</p>
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing for the Long Term, Responsible Business, Protecting Human Rights, pg. 85–86 <p>BNY Human Rights Statement BNY Supplier Code of Conduct</p> <p>The total number and percentage of significant investment agreements with human rights clauses is not available.</p>

Local Communities		
Standard	Disclosure	Location / Our Response
GRI 413: Local Communities 2016	GRI 3-3 Management of material topics	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Our Approach, Sustainability Governance, pg. 11 Managing For the Long Term, People and Communities, Empowering Communities, pg. 98–101 Clients and Partners, An Inclusive Economy, pg. 14–21 <p>Employee Code of Conduct (See Supporting Our Communities) BNY Supplier Code of Conduct (See Community Commitment)</p>
	413-1 Operations with local community engagement, impact assessment and development programmes	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing For the Long Term, People and Communities, Empowering Communities, pg. 98–101 Clients and Partners, An Inclusive Economy, pg. 14–21 <p>The percentage of operations with implemented local community engagement programs is not available.</p>
	413-2 Operations with significant actual and potential negative impacts on local communities	<p>BNY 2023 Sustainability Report:</p> <ul style="list-style-type: none"> Managing For the Long Term, People and Communities, Empowering Communities, pg. 98–101

Supplier Social Assessment		
Standard	Disclosure	Location / Our Response
GRI 414: Supplier Social Assessment 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing For the Long Term, Responsible Business, Supply Chain, pg. 83-84 BNY Supplier Code of Conduct BNY Modern Slavery Statement BNY Human Rights Statement
	414-1 New suppliers that were screened using social criteria	BNY Supplier Code of Conduct BNY Modern Slavery Statement BNY Human Rights Statement The percentage of new suppliers that were screened is not available.
	414-2 Negative social impacts in the supply chain and actions taken	BNY Supplier Code of Conduct BNY Modern Slavery Statement BNY Human Rights Statement The number and percentage of suppliers assessed is not available.

Public Policy		
Standard	Disclosure	Location / Our Response
GRI 415: Public Policy 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long Term, Public Policy, pg. 79 Political Engagement
	415-1 Political contributions	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing for the Long Term, Public Policy, pg. 79 Political Engagement Political Engagement

Customer Privacy		
Standard	Disclosure	Location / Our Response
GRI 418: Customer Privacy 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long Term, Responsible Business, Data Privacy, pg. 80-81 Privacy Statements and Privacy Notices
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Managing for the Long Term, Responsible Business, Data Privacy, pg. 80-81 Number of substantiated complaints is not publicly available.

Socio-economic Compliance		
Standard	Disclosure	Location / Our Response
GRI 419: Socio-economic Compliance 2016	GRI 3-3 Management of material topics	BNY 2023 Sustainability Report: <ul style="list-style-type: none"> • Our Approach, Sustainability Governance, pg. 11 • Managing for the Long Term, Responsible Business, Compliance and Ethics, pg. 78–79
	419-1 Non-compliance with laws and regulations in the social and economic area	Annual Report 2023: <ul style="list-style-type: none"> • Legal Proceedings, pg. 189–192

SUSTAINABLE ACCOUNTING STANDARDS BOARD INDEX

SASB Asset Management & Custody Activities Sustainability Accounting Standard (2023 version)

Table 1. Sustainability Disclosure Topics and Accounting Metrics

Disclosure topics	Accounting metrics	Code	
Transparent Information & Fair Advice for Customers	(1) Number and (2) percentage of licensed employees and identified decision-makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	FN-AC-270a.1	BNY does not report this information.
	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	FN-AC-270a.2	Annual Report , pg. 189
	Description of approach to informing customers about products and services	FN-AC-270a.3	BNY provides general and targeted product and service information to our clients through a multi-channel marketing approach. The approach may vary based on the type of client, product and service, as well as the applicability of laws of regulations.
Employee Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) professionals, and (d) all other employees	FN-AC-330a.1	Workforce Metrics, EEO1 pg. 125

Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social and governance (ESG) issues, (2) sustainability-themed investing and (3) screening	FN-AC-410a.1	Responsible Investment, pg. 23–28
	Description of approach to incorporation of environmental, social and governance (ESG) factors in investment or wealth management processes and strategies	FN-AC-410a.2	BNY Wealth, pg. 28–29
	Description of proxy voting and investee engagement policies and procedures	FN-AC-410a.3	BNY Investments firms' proxy voting information can be found: Newton Sustainability and Stewardship 2023 annual report Insight Investment Stewardship Policy Mellon Proxy Voting Report Spring 2024 Walter Scott Stewardship Stewardship Policy Disclosure Statement
Financed Emissions	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	FN-AC-410b.1	BNY does not report this information.
	Total amount of assets under management (AUM) included in the financed emissions disclosure	FN-AC-410b.2	BNY does not report this information.
	Percentage of total assets under management (AUM) included in the financed emissions calculations	FN-AC-410b.3	BNY does not report this information.
	Description of the methodology used to calculate financed emissions	FN-AC-410b.4	Metrics and Targets, pg. 67–68
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-AC-510a.1	Annual Report , pg. 189
	Description of whistleblower policies and procedures	FN-AC-510a.2	Employee Code of Conduct

Table 2. Activity Metrics

Total assets under management (AUM)	-	FN-AC-000.A	Annual Report , pg. II
Total assets under custody and supervision	-	FN-AC-000.B	Annual Report , pg. II

TCFD INDEX

TCFD Pillar	Recommended Disclosures	Report Section(s)	Subsection(s)
Governance	a. Describe the board's oversight of climate-related risks and opportunities.	Governance, pg. 47	Board of Directors Oversight, pg. 47
	b. Describe management's role in assessing and managing climate-related risks and opportunities.		Management Oversight, pg. 47
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Climate Risk Management pg. 49 and pg. 51–62	Risk Management Time Horizons, pg. 52
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Strategy, pg. 48–50	Our Global Climate Strategy, pg. 48–50
		Climate Risk Management pg. 49 and pg. 51–62	Risk Measurement for Key Risks, pg. 53–57
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate Risk Management pg. 49 and pg. 51–62	Scenario Analysis Approach, pg. 58–59
Risk Management	a. Describe the organization's processes for identifying and assessing climate-related risks.	Climate Risk Management pg. 49 and pg. 51–62	Enterprise Resiliency Planning; Mitigation and Adaptation, pg. 61–62
			Climate Risks Identification, Assessment and Materiality; Climate Risk Driver Assessment; Risk Measurement for Key Risks, pg. 52
	b. Describe the organization's processes for managing climate-related risks.		Controls and Mitigation, pg. 59–60
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.		Management Approach to Climate-Related Risks, pg. 51–52
Metrics & Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics and Targets, pg. 62–69	Our 2030 Emissions Reduction Commitment; Operational Emissions, pg. 62

PEOPLE DATA EEO-1

Race and Ethnicity

Job Categories	Hispanic or Latino		Not Hispanic or Latino												Row Total
	Male	Female	Male						Female						
			White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaskan Native	Two or More Races	White	Black or African American	Asian	Native Hawaiian or Other Pacific Islander	American Indian or Alaskan Native	Two or More Races	
Executive/Senior Level Officials and Managers	1	0	8	0	2	0	0	0	5	1	1	0	0	0	18
First/Mid-Level Officials and Managers	134	112	1942	133	468	2	1	35	1111	163	248	2	1	26	4378
Professionals	434	392	4322	434	1677	18	7	88	2707	496	1076	6	10	79	11746
Technicians	9	1	35	11	9	0	0	2	27	8	4	0	0	0	106
Sales Workers	5	1	79	0	7	0	0	0	24	1	3	0	0	0	120
Administrative Support Workers	329	457	1902	438	325	5	6	53	1768	877	471	8	10	65	6714
Craft Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operatives	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Laborers and Helpers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Current 2023 Reporting Year Total	913	963	8288	1016	2488	25	14	178	5642	1546	1803	16	21	170	23083
Prior 2022 Reporting year Total	862	955	8858	1035	2553	22	15	219	5909	1589	1779	15	18	194	24023

WORKFORCE METRICS

Global Gender Diversity*

% women

U.S. Workforce



Global Workforce



New Hires



Mid-level Leaders



Senior Leaders



Executive Leaders



* "Mid-level leaders" are inclusive of BNY's vice president-level employees, "Senior leaders" are inclusive of BNY's director-level and above employees, excluding executive leaders, and "Executive leaders" are inclusive of BNY's Executive Committee. Data is based on employee voluntary disclosures, as of December 31, 2023.

U.S. Ethnicity*

% of U.S. workforce from underrepresented ethnic/racial backgrounds

U.S. Workforce



U.S. New Hires



Mid-level Leaders



Senior Leaders



Executive Leaders



* "Mid-level leaders" are inclusive of BNY's vice president-level employees, "Senior leaders" are inclusive of BNY's director-level and above employees, excluding executive leaders, and "Executive leaders" are inclusive of BNY's Executive Committee. Data is based on employee voluntary disclosures, as of December 31, 2023.

Additional Dimensions Of Representation*

% of U.S. and UK workforce

People with Disabilities	2022	2023
U.S. Workforce	5.4%	5.4%
UK Workforce	0.5%	0.8%
LGBTQ+ **		
U.S. Workforce	1.5%	1.5%
UK Workforce	1.8%	2.9%
Veterans		
U.S. Workforce	1.8%	1.8%
UK Workforce	0.7%	1.2%

*Data based on employee voluntary disclosures, as of December 31, 2023

** LGBTQ+ data include employees identifying as Lesbian, Gay, Bisexual, Pansexual, Asexual and Queer

419,882

Total elective learning hours
(excludes mandatory courses)

9

Average hours per year

7,296

Distinct count of courses completed

92%

of year-end active employee population that
completed nonmandatory training

UK Race & Ethnicity*

% of UK workforce from underrepresented racial and ethnic backgrounds

UK Workforce

White	53.0%
Not responded	23.1%
Asian	14.8%
Black	3.9%
Mixed/Multiple Ethnic Groups	2.1%
Other Ethnic Group	0.5%
Prefer not to say	2.6%

*UK Race and Ethnicity data based on voluntary disclosures. Data as of December 31, 2023.

Employee Retention By Region

Asia Pacific	Female
2022	86%
2023	89%

Europe, Middle East & Africa (EMEA)	Female
2022	86%
2023	90%

India	Female
2022	79%
2023	88%

Latin America	Female
2022	79%
2023	94%

U.S. & Canada	Female
2022	87%
2023	93%

Total	Female
2022	85%
2023	91%



VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS

To: Stakeholders of BNY Mellon

APEX Companies LLC, (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by BNY Mellon for the period stated below. This Verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of BNY Mellon. BNY Mellon is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide an independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Worldwide

Types of GHGs: CO₂, N₂O, CH₄, HFCs

GHG Emissions Statement:

Electricity Consumption Megawatt Hours (MWH) for 2023	
Electricity Consumption MWH	237,415
Purchased Renewable Energy Certificates (RECs), Guarantees of Origin (GOs) and other renewable electricity instruments in MWH applied to Scope 2 Emissions from Purchased Electricity	241,377
BNY Mellon Entity-Wide GHG Emissions for 2023	
Scope 1 Emissions - Metric Tonnes (MT) of CO ₂ equivalent (CO ₂ e)	7,147
Scope 2 Emissions – Location Based MT CO ₂ e	96,117
Scope 2 Emissions – Market Based MT CO ₂ e (purchased steam emissions and electricity emissions not covered by renewable electricity instruments)	1,289
Scope 3 Emissions – Category 6 Business Travel MT CO ₂ e	19,825
Total Scope 1 + Scope 2 Market Based + Scope 3 Business Travel MT CO₂e	28,261
GHG Emission Offsets and Net Emissions for 2023	
Purchased GHG Emission Offsets MT CO ₂ e	28,811
Net Emissions CO₂e (Scope 1 + Scope 2 Market Based + Scope 3) - Purchased GHG Emission Offsets	0

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Page 2

Data and information supporting the Scope 1 and Scope 2 GHG emissions assertion were in most cases historical in nature, but in some cases estimated.

Data and information supporting the Scope 3 GHG emissions assertion were in some cases estimated, rather than historical in nature.

Global Warming Potential (GWP) and Emission factor data sets included in the verification:

- USEPA Emission Factor Hub, 2023
- USEPA eGRID, 2024
- UK Government GHG Conversion Factors for Company Reporting, 2023
- Country-specific Emission Factors
- IEA Emission Factors, 2023
- IPCC GWP: AR-4

Period covered by GHG emissions verification:

- January 1, 2023 to December 31, 2023

Criteria against which verification conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard, Revised Edition (Scope 1 and 2) and the GHG Protocol Scope 2 Guidance, an amendment to the GHG Protocol Corporate Standard
- WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard

Reference Standard:

- ISO 14064-3 Second Edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of +/-5% for aggregate errors in sampled data for each of the above indicators.

GHG Verification Methodology:

Evidence-gathering procedures included, but were not limited to:

- Interviews with relevant personnel of BNY Mellon and their consultant;
- Review of documentary evidence produced by BNY Mellon;
- Review of BNY Mellon data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions;
- Review of data and methodology for tracking purchases, certification and retirement of RECs, GOs, and GHG offsets; and,
- Audit of sample of data used by BNY Mellon to determine GHG emissions.

**Verification Opinion:**

Based on the process and procedures conducted, there is no evidence that the GHG emissions statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that BNY Mellon has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with BNY Mellon, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

Jessica Jacobs, Lead Verifier
ESG Senior Project Manager
APEX Companies, LLC
Cincinnati, Ohio

David Reilly, Technical Reviewer
ESG Principal Consultant
APEX Companies, LLC
Santa Ana, California

April 15, 2024

This verification opinion declaration, including the opinion expressed herein, is provided to BNY Mellon and is solely for the benefit of BNY Mellon in accordance with the terms of our agreement. We consent to the release of this declaration to the public or other organizations, but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.

LEGAL NOTICES

Forward-Looking Statements

We have included in this report statements that may constitute “forward-looking statements.” Forward-looking statements are not historical facts or statements of current conditions, but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These statements are not guarantees of future results or performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and are often beyond our control. These statements, which may be expressed in a variety of ways, including the use of future or present tense language, relate to, among other things, our goals, targets, estimates, aspirations, strategy, plans, intentions and objectives, and actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements. Factors that could cause our outcomes and results to differ from the forward-looking statements include global socio-demographic and economic trends, energy prices, technological innovations, climate-related conditions and weather events, our ability to gather and verify data regarding environmental impacts, changes in the methodologies, assumptions and estimates underlying our climaterelated strategy and analysis, our ability to successfully implement various initiatives throughout the company under expected time frames, the

compliance of various third parties with our policies and procedures, legislative and regulatory changes, and other unforeseen events or conditions, as well as other factors discussed in “Cautionary Note on Data and Methodology”. In addition, important factors that generally, affect our business and operations can be found under “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023, and in BNY’s other filings with the Securities and Exchange Commission (SEC).

All forward-looking statements speak only as of the date on which such statements are made, and BNY undertakes no obligation to update any statement to reflect events or circumstances after the date on which such forward-looking statement is made or to reflect the occurrence of unanticipated events.

Cautionary Note on Data and Methodologies

This report contains information on our greenhouse gas emissions targets, goals and commitments (including our new sector reduction targets), climate-related analysis (including our climate scenario analysis) and other aspects of our sustainability-related assessments, performance, approach, strategy and initiatives that have been prepared using data and methodologies that are subject to continued

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