BNY MELLON

The Bank of New York Mellon S.A./N.V.

Pillar 3 Disclosure

September 30, 2022

Attestation Statement

I confirm that the 30 September 2022 Pillar 3 Disclosure meets the relevant regulatory requirements as described in section one of this report and it has been prepared in accordance with the internal policies and controls in place which have been approved by The Bank of New York Mellon SA/NV (the 'European bank') Board of Directors (the 'Board').

The Board is responsible for approving policies and procedures as may be required by law or otherwise appropriate and for reviewing the European bank's processes for compliance with applicable laws, regulations and the internal policies including the Code of Conduct.

These disclosures were approved by the European bank's Executive Committee ('ExCo') on 20 December 2022.

Eric Pulinx

Chief Financial Officer

Member of the Executive Committee

Eric Pulinx

Executive summary

1 Article 431 CRR II - Disclosure requirements and policies

These Pillar 3 disclosures are published for the European bank, in accordance with the disclosure principles of the National Bank of Belgium[1,2] ('NBB'), the Capital Requirements Directive[3] ('CRD V') and the Capital Requirements Regulation[4] ('CRR II'), complementing the annual disclosures of the financial statements.

These disclosures cover the European bank, its subsidiary undertaking and branches as at 30 September 2022.

These disclosures were approved by the ExCo on 20 December 2022.

[1] NBB Circulars 2015_25 and 2017_25: Orientations relatives à la publication d'informations (Pilier III, CRD IV), 3 September 2015 and 2 October 2017.

[2] NBB Supervisory Disclosure Rules and Guidance: https://www.nbb.be/en/financial-oversight/prudential-supervision/areas-responsibility/credit-institutions/supervisory-5

[3] Directive 2019/878/EU and of the Council of 20 May 2019, amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.

[4] Regulation (EU) No 2019/876 on prudential requirements for credit institutions and investment firms amending Regulation (EU) No 575/2013, 20 May 2019.

Pillar 3 disclosures are required for a consolidated group and for those parts of the group covered by CRD V. When assessing the appropriateness of these disclosures in the application of Article 431(3) of CRR II, the European bank has ensured adherence to the following principles of:

Clarity | Meaningfulness | Consistency over time | Comparability across institutions

The Basel Committee on Banking Supervision ('BCBS') requires these disclosures to be published at the highest level of consolidation. The European bank has adopted this approach with information presented at a fully consolidated level.

	30-Sep-22	30-Jun-22
Common Equity Tier 1 ratio	43.03%	46.18%
Tier 1 capital ratio	43.03%	46.18%
Total capital ratio	43.03%	46.18%
Basel III leverage ratio	6.32%	6.95%

CET1 ratio	=	CET1 capital / Pillar 1 RWAs
Tier 1 ratio	=	Tier 1 capital / Pillar 1 RWAs
Total capital ratio	=	Total capital / Pillar 1 RWAs
Leverage ratio	=	Tier 1 capital / Leverage exposure measure

1.1 Purpose of Pillar 3

The aim of the Pillar 3 disclosures is to provide market participants with accurate, comparable and comprehensive information regarding the risk profile of the European bank, including key information on the scope of application, capital, risk exposures, and risk assessment processes, enabling users to better understand and compare its business, its risks and capital adequacy.

To that end, these Pillar 3 disclosures focus only on those risk and exposure types required for disclosure by the European bank at this disclosure date, namely a summary of internal loss absorbing capacity and eligible liabilities.

Where appropriate, the disclosures also include comparatives for the prior periods and an analysis of the more significant movements to provide greater insight into the risk management practices of the European bank and its risk profile.

In addition, the European bank's annual year-end Pillar 3 disclosures include detailed quantitative and qualitative information on exposures, risk management, goverrnance arrangements, and remuneration policies and practices for members of staff whose activities have a material impact on the European bank's risk profile.

1.2 Article 432 CRR II - Non-material, proprietary or confidential information

The Board may omit one or more disclosures if the information provided is not regarded as material. The criterion for materiality used in these disclosures is that the European bank will regard as material any information where omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions.

Furthermore, the Board may omit one or more disclosures if the information provided is regarded as proprietary or confidential. Information is regarded as proprietary if disclosing it publicly would undermine the European bank's competitive position or the competitive position of the BNY Mellon group. It may include information on products or systems which, if shared with competitors, would render investment in the European bank or the BNY Mellon group less valuable. In such circumstance, the Board will state in its disclosures the fact that specific items of information are not disclosed and the reason for non-disclosure. In addition, it will publish more general information about the subject matter of the disclosure requirement except where this is classified as proprietary or confidential.

The European bank undertakes no obligation to revise or to update any forward-looking or other statement contained within this report regardless of whether or not those statements are affected as a result of new information or future events.

1.3 Article 433/434 CRR II - Frequency, scope and means of disclosure

Pillar 3 disclosures for the European bank and its only subsidiary, BNY Mellon Service Kapitalanlage-Gesellschaft mbH (‘BNY Mellon KAG’), are published at a fully consolidated level.

Pillar 3 disclosures are approved by the ExCo, which has verified that they are consistent with formal policies adopted regarding production and validation.

Wherever possible and relevant, the ExCo will ensure consistency between Pillar 3 disclosures, Pillar 1 reporting and Pillar 2 ICAAP ('Internal Capital Adequacy Assessment Process') content, e.g. disclosure about risk management practices and capital resources at year-end. Unless indicated otherwise, information contained within the Pillar 3 disclosure has not been subject to external audit.

Disclosure will be made in accordance with the requirements of Article 433a. The European bank will publish semi-annual disclosures in line with Article 433a(2) and quarterly disclosures in line with Article 433a(3). Annual disclosures will be published on the same date on which the Annual Report and Financial Statements are made public. Quarterly disclosures will be published on the same date as the date on which any financial reports for the corresponding period are published, where applicable, or as soon as possible thereafter. The European bank will reassess the need to publish some or all of the disclosures, including applicable content, more frequently in light of any significant change to the relevant characteristics of its business including disclosure about capital resources and adequacy, and information about risk exposure and other items prone to rapid change.

Disclosures are published on The Bank of New York Mellon corporate website which can be accessed using the link below:

BNY Mellon Investor Relations - Pillar 3

See the Additional Country Disclosures section.

Pillar 3 disclosures are prepared solely to meet Pillar 3 disclosure requirements and for no other purpose. These disclosures do not constitute any form of financial statement on the business nor do they constitute any form of contemporary or forward looking record or opinion about the business.

1.4 Governance: approval and publication

Pursuant to the BNY Mellon EMEA Pillar 3 disclosure standard, these disclosures were approved for publication by the ExCo on 20 December 2022. The ExCo approved the adequacy of the European bank's risk management arrangements, providing assurance that the risk management systems put in place are adequate with regard to the European bank’s profile and strategy.

1.5 Article 436 CRR II - Scope of application

The Pillar 3 disclosures have been produced for the European bank on a consolidated basis, including its branches and (fully) consolidated subsidiary. The European bank is a credit institution incorporated in Belgium. It is a subsidiary of The Bank of New York Mellon, a New York banking corporation with trust powers, having its principal office in New York, which is itself a subsidiary of The Bank of New York Mellon Corporation, the ultimate parent company of the BNY Mellon Group.

BNY Mellon Group ('BNY Mellon') is a global investments company dedicated to helping its clients manage and service their financial assets throughout the investment lifecycle. Whether providing financial services for institutions, corporations or individual investors, BNY Mellon delivers informed investment management and investment services in 35 countries and more than 100 markets. As of 30 September 2022, BNY Mellon had $42.2 trillion in assets under custody and/or administration, and $1.8 trillion in assets under management. BNY Mellon can act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments. BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). Additional information is available on www.bnymellon.com. Follow us on Twitter @BNYMellon or visit our newsroom at www.bnymellon.com/newsroom for the latest company news.

The European bank is subject to dual supervision in Belgium: for market conduct matters, supervision is exercised by the Financial Services and Markets Authority (the 'FSMA') while for prudential matters, supervision is exercised by the European Central Bank (the 'ECB') together with the National Bank of Belgium (the 'NBB'), acting as National Competent Authority, as the European bank has been identified as a significant bank within the Single Supervisory Mechanism. In addition, the European bank's resolution authority is the Single Resolution Board ('SRB'). The European bank also qualifies as a Belgian custodian bank and is directly supervised by the NBB in this respect. Its nine branches and consolidated subsidiary ('BNY Mellon KAG') are also subject to local supervision by the following national regulators:

Name	Type	Regulator
Amsterdam Branch	Branch	De Nederlandsche Bank ('DNB')
Dublin Branch	Branch	Central Bank of Ireland ('CBI')
Frankfurt Branch	Branch	Deutsche Bundesbank ('DB') & Federal Financial Supervisory Authority / Bundesanstalt für Finanzdienstleistungsaufsicht ('BaFin')
London Branch	Branch	Prudential Regulatory Authority ('PRA'), Financial Conduct Authority ('FCA')
Luxembourg Branch	Branch	Commission de Surveillance du Secteur Financier ('CSSF')
Copenhagen Branch	Branch	Danish Financial Supervisory Authority ('DFSA')
Paris Branch	Branch	Autorité De Contrôle Prudentiel ('ACPR'), Banque De France ('BD')
Milan Branch	Branch	Banca D'Italia ('BI')
Madrid Branch	Branch	Banco de España ('BDE')
BNY Mellon KAG	Subsidiary	Bundesanstalt für Finanzdienstleistungsaufsicht ('BaFin')

1.6 Organisational structure

The European bank is a corporation with a Banking License, recognised as a custodian bank. The European bank has its headquarters in Brussels and, effective 30 June 2022, is a wholly owned subsidiary of The Bank of New York Mellon (100% of share capital).

The European bank provides services on a passported basis through its headquarters in Brussels and its branches in Amsterdam, Dublin, Frankfurt, London, Luxembourg, Milan, Madrid, Copenhagen and Paris. The European bank also has a subsidiary in Frankfurt, BNY Mellon KAG. Pursuant to the EU single market directives, the European bank is authorised to provide financial services in the European Economic Area, being the EU 27 countries plus Iceland, Lichtenstein, and Norway. Some of those countries apply restrictions to passporting rights, in accordance with the local transpositions of the EU directives. The European bank complies with these restrictions and adapts its operations accordingly.

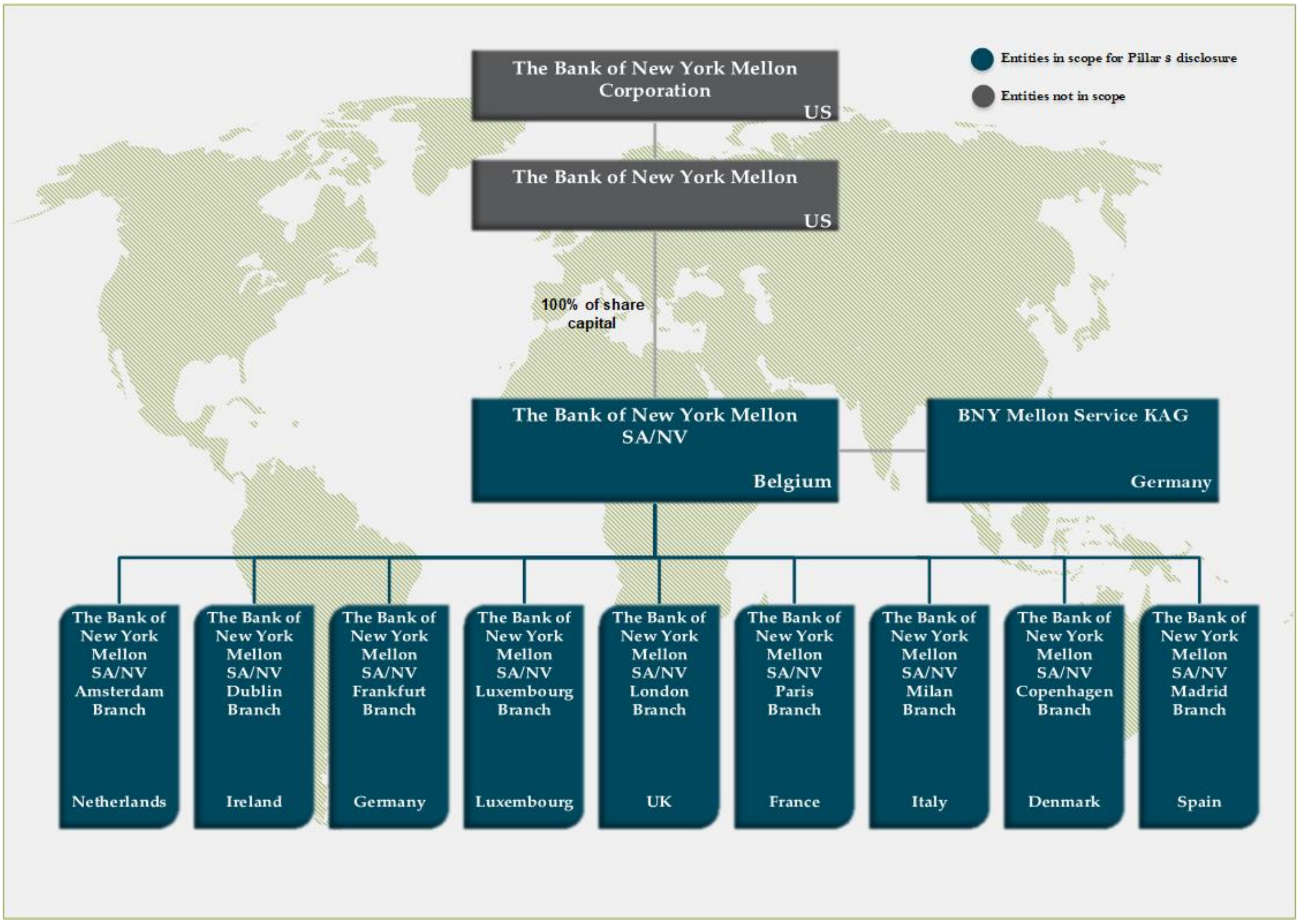
The European bank was established in 2008 with the aim of becoming BNY Mellon's main banking subsidiary in Continental Europe. During 2009, part of the business of the Brussels Branch of BNY Mellon was integrated into the European bank, forming the current Brussels Head Office. As part of BNY Mellon's strategy to consolidate its legal entity structure in Europe, the European bank acquired branches in Amsterdam, London, Frankfurt and Luxembourg further to the merger with BNY Mellon GSS Acquisition Co. (Netherlands) BV on October 1, 2009. On June 1, 2011, further to the merger with The Bank of New York Mellon's acquired German subsidiary, BNY Mellon Asset Servicing GmbH, the European bank significantly expanded the activities of its Frankfurt branch and Frankfurter Service KapitalverwaltungsGesellschaft mbH became the European bank's fully owned subsidiary under the name of BNY Mellon Service Kapitalanlage-Gesellschaft mbH ('BNY Mellon KAG'). On December 1, 2011, the European bank opened a branch in Paris. On February 1, 2013, the European bank opened a new branch in Dublin as a result of the cross-border merger with The Bank of New York Mellon (Ireland) Limited. An additional branch in Milan was created on April 1, 2017 as a result of the merger of The Bank of New York Mellon (Luxembourg) S.A. into the European bank. On 29 November 2019 the European bank merged with BNY Mellon Trust Company (Ireland) Limited. On 1 December 2020 the Copenhagen representative office was converted into the European bank's Copenhagen Branch. The European bank's commitment to this region was enhanced with the subsequent acquisition of Nykredit's depositary business effective on 1 November 2021. This was followed by the conversion of the Madrid representative office into the European bank's Madrid Branch on 1 February 2021. This provides an enhanced level of service and support to clients in Denmark, Spain and the wider Nordics and Iberian regions, by offering innovative solutions and providing access to BNY Mellon's global capabilities. Prior to conversion, Copenhagen was a representative office of the European bank whilst Madrid was a representative office of BNY Mellon Institutional Bank.

Effective November 4, 2014, the ECB as part of Single Supervisory Mechanism ('SSM') became the principal regulator for the European bank along with the NBB. The European bank is also supervised by the FSMA which is responsible for the integrity of the financial markets and fair treatment of financial consumers in Belgium pursuant to the Act of 2 August 2002 on the supervision of the financial sector and on financial services.

On November 20, 2015, the European bank was designated as a domestic systemically important institution (referred to in the CRD V as an "other systemically important institution" or "O-SII") in Belgium.

The legal entity structure of the European bank is set out in figure 1 on the following page.

Figure 1: The European bank's legal entity structure at 30 September 2022



Basis of consolidation

Entity name	Consolidation basis	Services provided
BNY Mellon SA/NV	Fully consolidated	Belgian credit institution and is also recognized as a Belgian custodian bank who's services include; Asset servicing, Clearance and Collateral Management, Markets.
BNY Mellon KAG	Fully consolidated	A capital investment company which is an independent provider of fund administration and investment management services.
BNY AIS Nominees Limited	Fully consolidated	Acts as a nominee shareholder on behalf of clients of its parent and sole shareholder the Bank of New York Mellon SA/NV Dublin Branch.

Subsidiaries are consolidated from the date on which control is transferred to the European bank until the date the European bank ceases to control the subsidiary. Control is achieved when the European bank is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the European bank controls an investee if, and only if, the European bank has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; or,
- the ability to use its power over the investee to affect its returns.

The existence and the effect of potential voting rights that are currently exercisable or convertible are considered when assessing the control of the European bank over another entity. The European bank re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

1.7 Operating model

The Operating Model refers to how BNY Mellon collaborates, organises and manages its business with a focus on optimising the balance sheet, driving efficiencies and enabling growth. It also describes the operations and technology which enables businesses to serve clients. The model has evolved and covers 5 key areas: Banking and other entities (which includes the EMEA Operating Model Programme or Three-Bank-Model), Governance & Accountability, Booking and Solicitation Practices, Resilience - Operations and Technology, and FX Trading. Furthermore, regulatory change has been a large component of the change agenda and will continue to be so with a large number of regulatory change initiatives in execution mode as well as on the horizon. Digital and data initiatives are also key to the European bank's strategy.

Banking and other Entities (EMEA Operating Model Programme) - This has been a major strategic initiative for BNY Mellon in the EMEA region over the past few years rationalising its legal entity structure to a three bank model, establishing a dual sub-custody network and aligning clients to the appropriate legal entity and network.

Governance & Accountability - In close consultation with the European Central Bank, BNY Mellon have been particularly focused on strengthening the governance and accountability within the European bank. Senior leadership has been engaged in a governance and accountability review related to the reporting line structure, aimed at meeting regulatory expectations as well as those of our clients and other stakeholders.

Booking and Solicitation Practices - Booking Principles are BNY Mellon's approach to guide the booking of business to the appropriate legal entity for each client's domicile and product considering local rules, licenses, permissions and product infrastructure. The European bank is guided as the main booking entity (where possible) for EU domiciled clients. Any proposed booking for non-EU jurisdictions would be subject to the relevant conditions and restrictions from the applicable third country regime for regulated activity. Booking Principles are maintained by the lines of business and centrally coordinated through a First Line of Defense Controls Framework.

Resilience – Operations and Technology - The European bank is documenting its detailed Technology Strategy in a distinct document and this will be developed alongside and in close alignment with the European bank's Business Strategy and the Enterprise Technology Strategy.

FX Trading - "ECB supervisory expectations on booking models" requires that a percentage of the risk generated from the 27 European Union countries (the 'EU27') client FX flow be risk managed within the European bank; and that the European bank can no longer rely on a 100% back to back booking model to the BNYM Institutional Bank (the 'BNYM IB'). Pursuant to this, our Brexit programme agreed with the Joint Supervisory Teams to set up an FX trading desk within the European bank's Frankfurt branch and end the reliance on a 100% back to back BNYM IB booking model.

The FX trading desk is pricing EU27 clients in collaboration with the established FX Sales desk implemented as part of the Brexit day 1 project. This FX Trading desk is now risk managing the majority of the EU27 client flow within the European banking entity.

1.8 Core business lines

The European bank has a number of core business lines including Asset Servicing, Treasury, Corporate Trust, Depository Receipt Services, Foreign Exchange, Collateral Management and Segregation, Liquidity Services and Segregation, Global Clearance and Securities Financing.

Line of business	Description
Asset Servicing ('AS')	Asset Servicing primarily comprises Custody Services but also includes a range of ancillary services. These include Trustee & Depositary Services, Institutional Accounting, Fund Accounting, Transfer Agency Services, Investment Operations, Alternative Investments Services, Global Risk Solutions, and oversight of outsourced Investment Management Services.
Treasury Services	Treasury Services ('TS') market and sell USD, GBP & EUR Correspondent Bank Clearing Services including supplementary products (e.g. FX and Multi-Currency) to eligible European domiciled clients. This is done through TS personnel employed by the European bank. The European bank acts in an intermediary role in marketing and selling the products as the contract is with the BNYM IB.
Issuer Services	
Corporate Trust ('CT')	The European bank offers Corporate Trust Services, acting in a broad range of agency roles including, but not limited to: trustee, registrar, issuing and paying agent, common depository, exchange agent, custodian and collateral / portfolio administration.
Depository Receipt Services	The European bank's Dublin Branch performs certain operational activities relating to Depository Receipts, predominantly issuance and cancellation. Depository Receipts facilitate cross-border investment solutions for companies and investors. They are negotiable financial securities issued by a bank to represent foreign companies' publicly traded securities, allowing them to have their stocks traded in foreign markets.
Clearance, Markets and Collateral Management	
Foreign Exchange ('FX')	The European bank provides Foreign Exchange Services that enable clients to achieve their investment, financing and cross-border objectives.
Collateral Management and Segregation	The European bank mainly acts as a servicing entity providing services contracted by BNY Mellon acting as tri-party agent for transactions related to securities lending and repurchase (“repo”) agreements, or acting as an administrator, providing Segregation Services for any type of transaction requiring segregation of collateral.
Liquidity Services and Segregation	The European bank provides sales and client services enabling clients to view, transact and generate reporting for their daily liquidity activities via an on-line platform.
Global Clearance	Global Clearance provides Settlement and Custody services for fixed- income and equity securities.
Securities Finance	The European bank provides Securities Lending Agent Services which include third party lending, cash reinvestment and agency cash investment products.

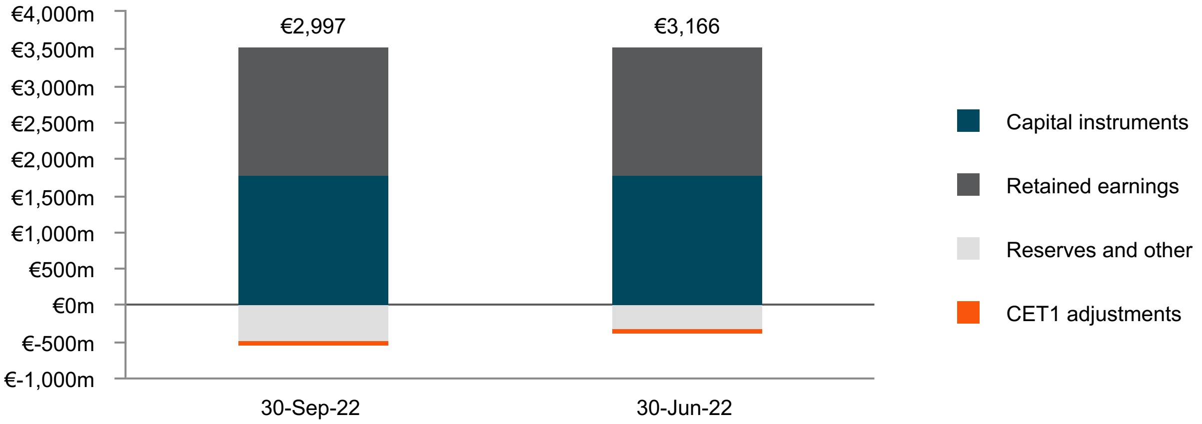
2 Article 436/437/437a CRR II - Scope of application, Own funds and eligible liabilities

€2,997m
30-Sep-22
€3,166m
30-Jun-22
Common Equity Tier 1 capital

€2,997m
30-Sep-22
€3,166m
30-Jun-22
Total own funds

33.03%
30-Sep-22
36.18%
30-Jun-22
CET1 available after meeting requirements

Composition of regulatory capital



This section provides an overview of the regulatory balance sheet and composition of the European bank's regulatory capital. There are a number of differences between the balance sheet prepared in accordance with International Financial Reporting Standards ('IFRS') and Pillar 3 disclosures published in accordance with prudential requirements.

Own Funds comprise tier 1 capital less deductions.

The European bank's regulatory capital is defined by CRD V and includes Common Equity Tier 1 capital which is the highest quality form of regulatory capital under Basel III comprising common shares issued and related share premium, retained earnings and other reserves excluding the cash flow hedging reserve, less specified regulatory adjustments.

Table 1: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs

In accordance with the requirements of Article 92b of Regulation (EU) No 575/2013, the table on the following page shows the European bank's minimum requirement for eligible liabilities, being a material subsidiary of a non-EU G-SII.

The European bank is not classified as a resolution entity. As of 28 March 2022 it carries an eligible liability of €1 billion as defined by Article 45 to 45i of Directive (EU) No 2014/59, being the total amount of that issuance. The information is presented on a Consolidated basis.

Internal TLAC requirements are based on a fully loaded target applicable as of 1 January 2022: 90% of 18% RWA and 6.75% Leverage Ratio Exposure, whichever is higher.

	At 30 September 2022 (€m)	Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII Requirement for own funds and eligible liabilities (internal TLAC)	Qualitative information
	Applicable requirement and level of application			
EU 1	Is the entity subject to a Non-EU G-SII Requirement for own funds and eligible liabilities?			Y
EU 2	If EU 1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis?			C
EU 2a	Is the entity subject to an internal MREL requirement?			Y
EU 2b	If EU 2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis?			C
	Own funds and eligible liabilities			
EU 3	Common Equity Tier 1 capital (CET1)	2,997	2,997	
EU 4	Eligible Additional Tier 1 instruments	—	—	
EU 5	Eligible Tier 2 instruments	—	—	
EU 6	Eligible own funds	2,997	2,997	
EU 7	Eligible liabilities	1,000	1,000	
EU 8	of which permitted guarantees	—		
EU 9a	(Adjustments)	—		
EU 9b	Own funds and eligible liabilities items after adjustments	3,997	3,997	
	Total risk exposure amount and total exposure measure			
EU 10	Total risk exposure amount	6,965	6,965	
EU 11	Total exposure measure	47,434	47,434	
	Ratio of own funds and eligible liabilities			
EU 12	Own funds and eligible liabilities (as a percentage of TREA)	57.39 %	57.39 %	
EU 13	of which permitted guarantees	— %		
EU 14	Own funds and eligible liabilities (as a percentage of leverage exposure)	8.43 %	8.43 %	
EU 15	of which permitted guarantees	— %		
EU 16	CET1 (as a percentage of TREA) available after meeting the entity’s requirements	20.93 %	20.93 %	
EU 17	Institution-specific combined buffer requirement		3.37 %	
	Requirements			
EU 18	Requirement expressed as a percentage of the total risk exposure amount	22.10 %	16.20 %	
EU 19	of which may be met with guarantees	— %		
EU 20	Internal MREL expressed as percentage of the total exposure measure	5.90 %	6.075 %	
EU 21	of which may be met with guarantees	— %		
	Memorandum items			
EU 22	Total amount of excluded liabilities referred to in Article 72a(2) CRR		41,835	

The amount of excluded liabilities increased since June 2022 largely due to higher liabilities not excluded from bail-in that meet the criteria of deposits with maturity of less than 1 month.

Key External Factors Influencing the European bank

At the end of September 2022 the European bank's consolidated Own Funds saw a reduction of €169 million on the June 2022 position. This was largely driven by a €179 million decrease in Other Comprehensive Income reserves. Risk-weighted assets also increased by €110 million primarily from higher credit risk. Collectively this resulted in a reduction in the European bank's consolidated capital ratio by 3.1% on June 2022.

At the end of September 2022, the spot Balance Sheet amounts to €46.3 billion, representing a €3 billion increase on June 2022, and an overall net €6.3 billion increase compared to December 2021. The main drivers of the year-to-date net increase on the Liabilities side were higher Third Party Deposits, up €4.8 billion, with Other Liabilities, mainly derivatives, overall net higher by €1.1 billion. Similarly, repurchase liabilities and intercompany deposits increased by €0.3 billion and €0.1 billion respectively. On the Assets side, the increase is mainly due to higher Intercompany and Third Party Nostros and Placements, up €2.4 billion and €0.5 billion respectively. Other Assets, mainly Derivatives, and Overdrafts & Advances were up €1.4 billion and €0.7 billion respectively. Similarly, Central Bank Placements and investment securities increased by €1.1 billion and €0.2 billion respectively.

The European bank's pre-tax income amounted to €271.9 million as at 30 September 2022, up 24.1% compared to the equivalent period in the prior year. The main driver for the increase was higher Fee and Commission Income driven mainly by organic growth and new business in Asset Servicing and Corporate Trust. As the majority of the

European Bank's revenue is billed in USD, the appreciation of USD vs EUR has a positive effect on revenue. Net Interest Income including Swaps also increased primarily driven by higher swap revenue mainly for EUR-USD currency pair. Similarly, other income increased largely due to a one off withholding tax provision recovery.

Direct expenses increased compared to the prior year via higher Personnel Expenses (Restructuring plan impact and increased headcount). Intercompany fees were also lower mainly driven by higher technology and shared service charges which were ultimately offset by organic growth in intercompany revenues stemming from assets under custody.

BNY Mellon is well-positioned against competition thanks to BNY Mellon Group’s legal entities rationalization strategy. BNY Mellon has a unique selling proposition that fits the needs of our clients, with the European bank positioned as the “European Bank”.

Business Evolution in 2022

On 28 March 2022 the European bank contracted a 10-year subordinated loan arrangement with The Bank of New York Mellon (“BNYM”) for the purposes of ensuring compliance with regulatory capital requirements for own funds and eligible liabilities (“MREL”) and internal total loss absorbing capacity (“TLAC”). The majority of the subordinated loan is funded with the repayment to BNYM of an existing €800 million loan granted to the European bank and originated in February 2021 with a 10-year maturity. The subordinated loan does not qualify as Tier 2 capital.

As of 1 June 2022 the European bank's registered address changed. Please see the back page of this document for the complete address.

Effective 30 June 2022 the ownership structure of the European bank was changed with the same now being a wholly owned subsidiary of The Bank of New York Mellon (100% of share capital). Please see section 1.6 for further information.

Looking towards the near term, the Market Risk Alternative Standardised Approach ('MKR-ASA') will become binding on the European bank as part of the next iteration of Capital Requirements Regulation reforms effective from 2025 ('CRR III'). Within CRR III, elements relating to the Own Funds requirement, including the MKR-ASA, and ESG related disclosures, will become binding. Such updates will be reflected in the European bank's disclosures accordingly. As of September 2021, market risk calculations under this new framework are reported but are not required to be disclosed presently.

3 Article 435 CRR II - Risk management objectives and policies

Given the critical role that BNY Mellon plays supporting clients and its status as a Global Systemically Important Financial Institution ('G-SIFI'), the financial stability of all of its constituent legal entities, throughout market cycles and especially during periods of market turbulence, is recognised at a BNY Mellon group level as an imperative. Clients and market participants need to have confidence that all of the BNY Mellon's legal entities will remain strong, continue to deliver operational excellence and maintain an uninterrupted service. Therefore, the European bank and the BNY Mellon group as a whole are committed to maintaining a strong balance sheet and, as a strategic position, assumes less risk than many financial services companies.

Whilst BNY Mellon assumes less balance sheet risk than most financial services companies, it does assume a significant amount of operational risk as a result of its business model. As a consequence, BNY Mellon has developed an enterprise risk management programme that is designed to ensure that:

- risk limits are in place to govern its risk-taking activities across all businesses and risk types;
- risk appetite principles are incorporated into its strategic decision making processes;
- monitoring and reporting of key risk metrics to senior management and the board takes place; and,
- there is a capital planning process which incorporates both economic capital modelling and a stress testing programme.

For more information regarding the European bank's risks, its risk management objectives, policies, and its risk statement please refer to the most recent annual Pillar 3 disclosure published on The Bank of New York Mellon corporate website, accessible via the link below:

BNY Mellon Investor Relations - Pillar 3

3.1 Board of Directors

The Board is composed of a majority of non-executive directors, some of whom are representatives of The Bank of New York Mellon senior management. At least two of the non-executive directors are independent directors (as defined in the Belgian Banking Law). All members of the ExCo also sit on the Board in compliance with Article 24 of the Belgian Banking Law. All directors are natural persons.

The Board meets formally once a quarter or more frequently if deemed appropriate. Board meetings can be called whenever the specific needs of the business require it.

The primary responsibilities of the Board are to define the strategy and risk policy of the European bank and to supervise the European bank's management.

The main duties and responsibilities of the Board of the European bank include, but are not limited to:

- defining the general business strategy, objectives and values of the European bank in line with those of The Bank of New York Mellon;
- plan and monitor the implementation of the general business strategy, objectives and values within the European bank;
- fixing the European bank's risk tolerance level and regularly reviewing and approving the strategies and policies relating to the taking, management, follow-up and mitigation of risks;
- supervising the management of the European bank's significant risks and ensuring adequate resources are allocated to it;
- approving the capital adequacy position and ensuring changes in the European bank consider capital impacts;
- approving the recovery plan;
- approving the liquidity recovery plan;
- supervising effectively the ExCo and the decisions taken by the ExCo;
- drawing up annual and interim reports and accounts;
- assessing regularly (at least once per year) the efficiency of the internal organisation and system of internal control of the European bank and its compliance with applicable laws and regulations;
- assessing the proper functioning of the European bank's independent control functions (risk, internal audit and compliance); ensuring the integrity of the accounting and financial reporting systems and assessing regularly (at least once per year) the efficiency of the internal control structure, in particular regarding the financial reporting process;
- ensuring that the European bank's internal governance - as translated into its Internal Governance Memorandum - is appropriate to its business, size and organization;
- approving the Internal Governance Memorandum and ensuring it is kept up-to-date and submitted to the supervisory authority;
- approving and reviewing regularly (at least once per year) the European bank's remuneration policy, and supervising its implementation;
- selecting and evaluating the members of the ExCo and reviewing the process for the selection, evaluation, and development of other key managers (in particular the Chief Risk Officer, Chief Compliance Officer, Chief Internal Auditor);
- ensuring the succession planning for key managers;
- reviewing the European bank's processes for protecting the European bank's assets and reputation;
- approving policies and procedures as may be required by law or otherwise appropriate;
- reviewing the European bank's processes for compliance with applicable laws, regulations and the internal policies including the Code of Conduct; and,
- overseeing the process of external disclosure and communications.

The table below shows the members of the Board and its committees as at 30 September 2022.

External functions exercised by directors, senior managers and heads of independent functions are regularly published in accordance with Belgian Banking Law of 25 April 2014 on the legal status and supervision of credit institutions and brokerage firms, NBB Regulation of 9 November 2021 on the Exercise of External Functions by managers of Regulated Companies and NBB Communication on the exercise of external functions by managers and persons responsible for independent control functions of regulated companies NBB_2022_19.

Board member	Function at the European bank	Name of the other company in which an external function is exercised	Registered address	Type of activities	Listed company (Y/N)	External mandate (title)	Capital connection with SA/NV (Y/N)
Non-Executive Directors							
Olivier Lefebvre	Independent Chair of the Board, Independent Chair of the Nomination and Governance Committee, and Independent Member of the Audit and Remuneration Committees	An Other Look To Efficiency SPRL	Chausée de Tervueren 111, 1160 Auderghem, Belgium	Management company	N	Administrator	N
		Climact SA	Place de l'Université 16 Bte 11, 1348 Louvain-la-Neuve, Belgium	Environmental consultancy	N	Chairman of the Board	N
		Ginkgo Management II SARL	Boulevard Emmanuel Servais 20 L - 2535 Luxembourg, Luxembourg	Real Estate Fund Management	N	Independent Director	N
		Perma-Project SPRL	Chausée de Tervueren 111, 1160 Auderghem, Belgium	Support to starters in Permaculture	N	Director	N
Marie-Hélène Cretu	Independent Chair of the Audit Committee, Independent member of the Remuneration and Risk Committees	CoDiese	102 bis, Rue de Miromesnil, 75008 Paris, France	Management company	N	President	N
		Global Reporting Company	31 Hove Park Way, Hove, England, BN3 6PW, United Kingdom	Finance consultancy	N	Director	N
		Montpensier Finance	58 avenue Marceau, 75008 Paris, France	Assets Management company	N	Independent Director	N
Marcia Cantor-Grable	Independent Chair of the Risk Committee, Independent member of the Audit Committee	Brown Shipley & Co. Ltd.	2 Moorgate, London, England, EC2R 6AG, United Kingdom	Wealth planning and Investment Management	N	Independent Director	N
		Modulr FS Ltd.	Scale Space, 58 Wood Lane, London, W12 7RZ, United Kingdom	E-money institution	N	Independent Director	N
		Societe Generale International Ltd.	One Bank Street, Canary Wharf, London, E14 4SG, United Kingdom	Execution only Prime Broker	N	Independent Director	N
Roderick Munsters	Independent Chair of the Remuneration Committee, Independent member of the Risk and Nomination and Governance Committees	Athora Netherlands NV	Burgemeester Rijnderslaan 7 1185 MD Amstelveen, the Netherlands	Insurance company	N	Chairman of the Supervisory Board	N
		Moody's Investors Service	One Canada Square, Canary Wharf, London E14 5FA, United Kingdom (also France and Germany)	Credit Ratings company	N	Independent Director (UK & FR) Member of the Beirat in Germany	N
		Unibail-Rodamco-Westfield SE	7 Place du Chancelier Adenauer, 75116 Paris, France	Real Estate company	Y	Independent Director	N
Hani Kablawi	Member of the Remuneration and Risk Committees	OMFIF Advisory Council	6-9 Snow Hill, London, EC1A 2AY, United Kingdom	Independent financial think tank for central banks and public investment	N	Deputy Chairman	N

Board member	Function at the European bank	Name of the other company in which an external function is exercised	Registered address	Type of activities	Listed company (Y/N)	External mandate (title)	Capital connection with SA/NV (Y/N)
Senthilkumar Santhanakrishnan	Member of the Risk Committee						
Executive Directors							
Björn Storim	Chief Executive Officer and Chair of the Executive Committee						
Hedi Ben Mahmoud	Chief Risk Officer and Member of the Executive Committee						
Annik Bosschaerts	Chief Operating Officer and Member of the Executive Committee						
Eric Pulinx	Chief Financial Officer, Deputy Chief Executive Officer and Member of the Executive Committee	Delen Private Bank	Jan Van Rijswijcklaan 184, 2020 Antwerp, Belgium	Credit Institution	N	Independent Director	N
		Finax	Begijnenvest 113, 2000 Antwerp, Belgium	Financial Holding	N	Independent Director	N
Marnix Zwartbol	Head of Operations and Member of the Executive Committee						

The appointment of Caroline Butler as non-executive director was approved by the NBB / ECB on 18 November 2022 but still subject to the shareholder's approval of the European bank. The appointment of Caroline Butler had been recommended to the shareholders by the Board in July 2022, and she has been actively participating in the Board meetings since October 2022, in agreement with the NBB / ECB. The appointment of Caroline Butler as Member of the Audit Committee and Nomination and Governance Committee has also been approved by the Board in July 2022 and received regulatory approval on 18 November 2022. As these appointments were not approved before 30 September 2022, this director is not included in the table above.

No director has declared a personal conflict of interest that would give rise to the application of article 7:96 of the Belgian Companies and Associations Code.

The European bank is committed to diversity and inclusion. This commitment is not only important to the European bank's culture and to each director as individuals, it is also critical to the European bank's ability to serve its clients and grow its business. The European bank recognises the benefits of having individuals with diverse backgrounds, experience and viewpoints on the Board for the different perspective and unique contributions they provide. Board appointments are based on an individual's skill, ability, experience, training, performance, and other valid role-related requirements. The Terms and Reference of the Board state that at least one third of each gender shall be represented on the Board. This target has been achieved by the European bank at the reporting date.

The Nomination and Governance Committee (the 'NomCo') is responsible for reviewing the structure, size and composition of the Board (including its skills, knowledge, experience and diversity) and making recommendations to the Board with respect to any Board member's appointment. In identifying suitable candidates for a particular appointment, the NomCo considers candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender.

No external functions are exercised by branch managers and Heads of Independent Control Functions, meaning the Head of the Compliance function and the Head of the Internal Audit function, of the European bank. Note the Head of the Risk Management function is also independent. However, the Head of the Risk Management function is an executive director and therefore listed in the above mentioned table.

Appendix 1 - Glossary of terms

The following acronyms are a range of terms which may be used in BNY Mellon EMEA Pillar 3 disclosures:

Acronym	Description
ABS	Asset-Backed Securities
ACPR	Autorite de Controle Prudentiel et de Resolution
AFR	Available Financial Resources
AIF	Alternative Investment Fund
ALCO	Asset and Liability Committee
ALM	Asset Liability Management
AML	Anti-Money Laundering
AS	Asset Servicing
AT1	Additional Tier 1
AUC	Assets Under Custody
BAC	Business Acceptance Committee
BAU	Business as usual
BaFin	Federal Financial Supervisory Authority / Bundesanstalt fur Finanzdienstleistungsaufsicht
BDAS	Broker-Dealer and Advisory Services
BDF	Banque De France
BEMCO	Belgium Management Council
BI	Banca D'Italia
BNY Mellon	The Bank of New York Mellon Corporation
BNY Mellon SA/NV	The Bank of New York Mellon SA/NV
BNY Mellon TDUKL	BNY Mellon Trust & Depositary (UK) Limited
BNYIFC	BNY International Financing Corporation
BNY Mellon KG	BNY Mellon Service Kapitalanlage-Gesellschaft mbH
BRC	Business Risk Committee
CASS	Client Asset Sourcebook Rules
CBI	Central Bank of Ireland
CCF	Credit Conversion Factor
CEO	Chief Executive Officer
CEF	Critical Economic Function
CET1	Common Equity Tier 1
CGB	CASS Governance Body
CIS	Collective Investment Scheme
CMA	Capital Market Authority
COC	Compensation Oversight Committee
COOC	CASS Operational Oversight Committee
COREP	Common Reporting
CQS	Credit Quality Steps

Acronym	Description
CRD	Capital Requirements Directive
CRM	Credit Risk Mitigation
CROC	Credit Risk Oversight Committee
CRR	Capital Requirements Regulation
CSD	Client Service Delivery
CSRSFI	Committee for Systemic Risks and System-relevant Financial Institutions
CSSF	Commission de Surveillance du Secteur Financier
CSTC	Capital and Stress Testing Committee
CT	Corporate Trust
CTS	Client Technology Solutions
DB	Deutsche Bank
DNB	De Nederlandsche Bank
DVP	Delivery versus Payment
EAD	Exposure at default
EC	European Commission
ECL	Expected Credit Losses
ECAP	Economic Capital
ECB	European Central Bank
ECM	Embedded Control Management
EEC	EMEA Executive Committee
EHQLA	Extremely High Quality Liquid Assets
EMEA	Europe, Middle East and Africa
ERGC	EMEA Remuneration Governance Committee
ESRMC	EMEA Senior Risk Management Committee
EU	European Union
EUR	Euro
EWI	Early Warning Indicators
ExCo	Executive Committee
FCA	Financial Conduct Authority
FMUs	Financial market utilities
FRS	Financial Reporting Standard
FSMA	Financial Services and Markets Authority
FX	Foreign Exchange
G-SIFI	Global Systemically Important Financial Institution
GCA	Global Custody Agreement
GSP	Global Securities Processing
HQLA	High Quality Liquid Assets
HRCC	Human Resources Compensation Committee

Acronym	Description
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICA	Internal Capital Assessment
ICAAP	Internal Capital Adequacy Assessment Process
ICRC	Incentive Compensation Review Committee
IFRS	International Financial Reporting Standards
ILAAP	Internal Liquidity Adequacy Assessment Process
ILG	Individual Liquidity Guidance
IRRBB	Interest Rate Risk on Banking Book
IMMS	International Money Management System
ISDA	International Swaps and Derivatives Association
ISM	Investment Services and Markets
IT	Information Technology
KRI	Key Risk Indicator
KYC	Know your customer
LCR	Liquidity Coverage Ratio
LERO	Legal Entity Risk Officer
LOB	Line of Business
LOD	Line of Defense
MiFID II	Markets in Financial Instruments Directive II
MNA	Master netting agreements
MRMG	Model Risk Management Group
MRT	Material Risk Taker
NAV	Net Asset Value
NBB	National Bank of Belgium
NomCo	Nomination and Governance Committee
NSFR	Net Stable Funding Ratio
O-SII	Other systemically important institution
OCI	Other Comprehensive Income
OEICs	Open-ended Investment Companies
ORMF	Operational Risk Management Framework
ORSA	Operational Risk Scenario Analysis
P/L	Profit and Loss
PFE	Potential Future Exposure
PRA	Prudential Regulatory Authority
RAS	Risk Appetite Statement
RCoB	Risk Committee of the Board
RCSA	Risk and Control Self-Assessment
RM	Risk Manager
RMC	Risk Management Committee
RMP	Risk Management Platform
RRP	Recovery and Resolution Planning
RW	Risk-weight
RWA	Risk Weighted Assets

Acronym	Description
SA	Standardised Approach
SFT	Security Financing Transaction
SLD	Service Level Description
SREP	Supervisory review and evaluation process
SRO	Senior Risk Officer
T&D	Trust & Depositary
T1 / T2	Tier 1 / Tier 2
TCR	Total Capital Requirements
TRC	Technology Risk Committee
TLAC	Total Loss-Absorbing Capacity
UCITS	Undertakings for Collective Investment in Transferable Securities
VaR	Value-at-Risk

The following terms may be used in this document:

Ad valorem: Method for charging fees according to the value of goods and services, instead of by a fixed rate, or by weight or quantity. Latin for [according] to value

Basel III: The capital reforms and introduction of a global liquidity standard proposed by the Basel Committee on Banking Supervision ('BCBS') in 2020

BIPRU: Prudential sourcebook for banks, building societies and investment firms

Brexit: The United Kingdom's referendum decision to leave the EU

CRD V: On 27 June 2013, the European Commission first published, through the Official Journal of the European Union, its legislation for a Capital Requirements Directive ('CRD') and Capital Requirements Regulation ('CRR'), which together form the CRD package. The package implements the Basel III reforms in addition to the inclusion of new proposals on sanctions for non-compliance with prudential rules, corporate governance and remuneration. The latest iteration, CRD V & CRR II, applies from 28 June 2021 onwards, with certain requirements set to be phased in

Capital Requirements Directive ('CRD'): A capital adequacy legislative package issued by the European Commission and adopted by EU member states

Capital Requirements Regulation ('CRR'): Regulation that is directly applicable to anyone in the European Union and is not transposed into national law

Common Equity Tier 1 capital: The highest quality form of regulatory capital under Basel III comprising common shares issued and related share premium, retained earnings and other reserves excluding the cash flow hedging reserve, less specified regulatory adjustments

Core Tier 1 capital: Called-up share capital and eligible reserves plus equity non-controlling interests, less intangible assets and other regulatory deductions

Credit risk mitigation ('CRM'): A technique to reduce the credit risk associated with an exposure by application of credit risk mitigants such as collateral, guarantees and credit protection

Derivatives: A derivative is a financial instrument that derives its value from one or more underlying assets, for example bonds or currencies

Exposure: A claim, contingent claim or position which carries a risk of financial loss

Exposure at default ('EAD'): The amount expected to be outstanding, after any credit risk mitigation, if and when a counterparty defaults. EAD reflects drawn balances as well as allowance for undrawn amounts of commitments and contingent exposures over a one-year time horizon

Financial Conduct Authority ('FCA'): The Financial Conduct Authority regulates the conduct of financial firms and, for certain firms, prudential standards in the UK. It has a strategic objective to ensure that the relevant markets function well

Risk Identification ('Risk ID'): An assessment of the quality of controls in place to mitigate risk and residual risk. Residual risk is assessed as high, moderate to high, moderate, moderate to low and low with direction anticipated

Investment Firms Directive ('IFD'): A capital adequacy legislative package issued by the European Commission and adopted by EU member states calibrated to Investment Firms

Investment Firms Regulation ('IFR'): Regulation that is directly applicable to anyone in the European Union in respect of the application of IFD

Institutions: Under the Standardised Approach, institutions are classified as credit institutions or investment firms

Internal Capital Adequacy Assessment Process ('ICAAP'): The group's own assessment of the levels of capital that it needs to hold through an examination of its risk profile from regulatory and economic capital viewpoints

ISDA Master Agreement: A document that outlines the terms applied to a derivatives transaction between two parties. Once the two parties have agreed to the standard terms, they do not have to renegotiate each time a new transaction is entered into

Key Risk Indicator ('KRI'): Key Risk Indicators are used by business lines to evaluate control effectiveness and residual risk within a business process

Master Netting Agreement: An agreement between two counterparties that have multiple contracts with each other that provides for the net settlement of all contracts through a single payment in the event of default or termination of any one contract

Pillar 3: The part of Basel III that sets out information banks must disclose about their risks, the amount of capital required to absorb them and their approach to risk management. The aim is to encourage market discipline and improve the information made available to the market

Prudential Regulation Authority ('PRA'): The statutory body responsible for the prudential supervision of banks, building societies, credit unions, insurers and major investment firms in the UK. The PRA is a subsidiary of the Bank of England

Residual maturity: The period outstanding from the reporting date to the maturity or end date of an exposure

Risk appetite: A definition of the types and quantum of risks to which the firm wishes to be exposed

Risk and Control Self-Assessment ('RCSA'): Risk and Control Self-Assessment is used by business lines to identify risks associated with their key business processes and to complete a detailed assessment of the risk and associated controls

Risk Governance Framework: The risk governance framework has been developed in conjunction with BNY Mellon requirements. Key elements of the framework are:

- Formal governance committees, with mandates and defined attendees
- Clearly defined escalation processes, both informally (management lines) and formally (governance committees, board, etc.)
- A clear business as usual process for identification, management and control of risks
- Regular reporting of risk issues

Risk Management Committee ('RMC'): A committee which meets monthly to provide governance on risk related items arising from the business of the group

Risk-weighted Assets ('RWA'): Assets that are adjusted for their associated risks using weightings established in accordance with CRD V requirements

Standardised Approach ('SA'): Method used to calculate credit risk capital requirements using the Basel III, CRD V, CRR II model supplied by the BCBS. The SA model uses external credit assessment institution ratings and supervisory risk weights supplied by external credit assessment agencies

Tier 2 capital: A component of regulatory capital under Basel III, mainly comprising qualifying subordinated loan capital, related non-controlling interests and eligible collective impairment allowances

Value-at-Risk ('VaR'): A measure of the potential loss at a specified confidence level from adverse market movements in an ordinary market environment

Appendix 2 - CRR II references

CRR II ref.	Requirement summary	Compliance ref. applicable at 30 September 2022	Page ref.
Scope of disclosure requirements			
431 (1)	Institutions shall publish Pillar 3 disclosures.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosure	6
431 (2)	Firms with permission to use specific operational risk methodologies must disclose operational risk information.	N/A	N/A
431 (3)	The management body shall adopt formal policies to comply with the disclosure requirements. At least one member of the management body shall attest in writing.	Attestation Statement	3
431 (4)	Quantitative disclosures shall be accompanied by a qualitative narrative that may be necessary in order for the users of that information to understand the quantitative disclosures.	Qualitative narrative included where necessary.	N/A
431 (5)	Explanation of ratings decision upon request.	N/A	N/A
Non-material, proprietary or confidential information			
432 (1)	Institutions may omit disclosures if the information is not regarded as material (except Articles 435(2)(c), 437 and 450).	1.2 Article 432 CRR II - Non-material, proprietary or confidential information	6
432 (2)	Institutions may omit information that is proprietary or confidential if certain conditions are respected (except Articles 437 and 450).		
432 (3)	Where 432(1) and (2) apply this must be stated in the disclosures, and more general information must be disclosed.		
Frequency of disclosure			
433	Institutions shall publish the disclosures required at least on an annual basis, on the same date of the publication of the financial statements. Semi-annual and quarterly disclosures shall be published on the same date as the financial reports for the period where applicable.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosure	6
433 (a)	Large institutions shall disclose the information outlined in this article on an annual, semi-annual and quarterly basis as applicable.		
433 (b)	Small and non-complex institutions shall disclose the information outlined in this article on an annual and semi-annual basis as applicable.	N/A	N/A
433 (c)	Institutions that are not subject to Article 433(a) or 433(b) shall disclose the information outlined in this article on an annual and semi-annual basis as applicable.	N/A	N/A
Means of disclosure			
434 (1)	Institutions shall disclose all the information required under Titles II and III in electronic format and in a single medium or location.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosure	6
434 (2)	Institutions shall make available on their website an archive of the information required to be disclosed in accordance with this Part.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosure	6
Risk management objectives and policies			
435 (1)	Institutions shall disclose their risk management objectives and policies.	N/A under Article 433a(2)	N/A
435 (1) (a)	Strategies and processes to manage those categories of risks.		
435 (1) (b)	Structure and organisation of the risk management function.		
435 (1) (c)	Scope and nature of risk reporting and measurement systems.		
435 (1) (d)	Policies for hedging and mitigating risk.		
435 (1) (e)	Approved declaration on the adequacy of risk management arrangements.		
435 (1) (f)	Approved risk statement describing the overall risk profile associated with business strategy.		
435 (2) (a)	Number of directorships held by directors.	3.1 Board of Directors	17
435 (2) (b)	Recruitment policy of Board members, their experience and expertise.		
435 (2) (c)	Policy on diversity of Board membership and results against targets.		
435 (2) (d)	Disclosure of whether a dedicated risk committee is in place, and number of meetings in the year.	N/A under Article 433a(2)	N/A
435 (2) (e)	Description of information flow on risk to Board.		
Scope of application			
436 (a)	The name of the institution to which this Regulation applies.	1 Article 431 CRR II - Disclosure requirements and policies	4
436 (b)	A reconciliation between the consolidated financial statements prepared in accordance with the applicable accounting framework and the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation.	N/A - There are no differences in scope.	N/A
436 (c)	A breakdown of assets and liabilities of the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation broken down by type of risk.	N/A under Article 433a(2)	N/A
436 (d)	A reconciliation identifying the main sources of differences between the carrying value amounts in the financial statements under the regulatory scope of consolidation, and the exposure amount used for regulatory purposes.		
436 (e)	For exposures from the trading book and the non-trading book adjusted in accordance with Article 34 and Article 105, a breakdown of the constituent elements of an institution's prudent valuation adjustment, by types of risk.		
436 (f)	Current or expected material impediment to the prompt transfer of own funds or to the repayment of liabilities between the parent undertaking and its subsidiaries.	N/A - No impediment exists.	N/A
436 (g)	Aggregate amount by which the actual own funds are less than required in all subsidiaries not included in the consolidation, and the name or names of those subsidiaries.	All entities in scope of consolidation are appropriately capitalised.	N/A
436 (h)	Where applicable, the circumstance under which use is made of the derogation referred to in Article 7 or the individual consolidation method laid down in Article 9.	N/A	N/A

Own funds			
437 (a)	Full reconciliation of Common Equity Tier 1 (CET1) items.	N/A under Article 433a(2)	N/A
437 (b)	Description of the main features of the CET1 and Additional Tier 1 and Tier 2 instruments.		
437 (c)	Full terms and conditions of all CET1, Additional Tier 1 and Tier 2 instruments.		
437 (d) (i) 437 (d) (ii) 437 (d) (iii)	Each prudent filter applied. Each deduction made. Items not deducted.		
437 (e)	Description of all restrictions applied to the calculation of Own Funds.	N/A - No restrictions apply.	N/A
437 (f)	Explanation of the basis of calculating capital ratios using elements of Own Funds.	N/A - Capital ratios are calculated in accordance with CRR II.	N/A
Own funds and eligible liabilities			
437a (a)	Institutions that are subject to Article 92a or 92b shall disclose the composition of their own funds and eligible liabilities, their maturity and their main features.	Table 1: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	13
437a (b)	The ranking of eligible liabilities in the creditor hierarchy.	N/A - Only applicable at individual disclosure level.	N/A
437a (c)	The total amount of each issuance of eligible liabilities instruments.	Table 1: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	13
437a (d)	The total amount of excluded liabilities.		
Own funds requirements and risk weighted exposure amounts			
438 (a)	Summary of institution's approach to assessing adequacy of capital levels.	N/A under Article 433a(2)	N/A
438 (b)	The amount of the additional own funds requirements based on the supervisory review process.		
438 (c)	Result of ICAAP on demand from authorities.		
438 (d)	The total risk-weighted exposure amount and the corresponding total own funds requirement.		
438 (e)	The on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending.		
438 (f)	The exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds.		
438 (g)	The supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate.	N/A	N/A
438 (g)	The supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate.	N/A	N/A
438 (h)	The variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations.	N/A	N/A
438 (h)	The variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations.	N/A	N/A
Exposure to counterparty credit risk (CCR)			
439 (a)	Description of process to assign internal capital and credit limits to CCR exposures.	N/A under Article 433a(2)	N/A
439 (b)	Discussion of process to secure collateral and establishing reserves.		
439 (c)	Discussion of management of wrong-way exposures.		
439 (d)	Disclosure of collateral to be provided (outflows) in the event of a ratings downgrade.	N/A - A credit ratings downgrade is managed at the BNY Mellon Corp level.	N/A
439 (e)	The amount of segregated and unsegregated collateral received and posted.	N/A under Article 433a(2)	N/A
439 (f)	Exposure values before and after the effect of the credit risk mitigation of derivative transactions.		
439 (g)	Exposure values before and after the effect of the credit risk mitigation of securities financing transactions.		
439 (h)	The exposure values after credit risk mitigation effects and the associated risk exposures for credit valuation adjustment capital charge.		
439 (i)	Exposure value to central counterparties and the associated risk exposures.		
439 (j)	The notional amount and fair value of credit derivative transactions.		
439 (k)	Estimate of alpha, if applicable.		
439 (l)	Separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452.		
439 (m)	For institutions using the methods set out in Sections 4 to 5 of Chapter 6 of Title II Part Three, the size of their on- and off-balance-sheet derivative business	N/A	N/A
Countercyclical capital buffers			
440 (a)	Geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposure	N/A under Article 433a(2)	N/A
440 (b)	Amount of the institution specific countercyclical capital buffer.		
Indicators of global systemic importance			
441	Disclosure of the indicators of global systemic importance.	N/A	N/A

Credit risk adjustments			
442 (a)	Disclosure of bank's scope and definitions of past due and impaired.	N/A under Article 433a(2)	N/A
442 (b)	Approaches for calculating specific and general credit risk adjustments.		
442 (c)	Information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures.		
442 (d)	An ageing analysis of accounting past due exposures.		
442 (e)	The gross carrying amounts of both defaulted and non-defaulted exposures.		
442 (f)	Changes in the gross amount of defaulted on- and off-balance-sheet exposures.		
442 (g)	The breakdown of loans and debt securities by residual maturity.		
Unencumbered assets			
443	Institutions shall disclose information concerning their encumbered and unencumbered assets.	N/A under Article 433a(2)	N/A
Use of ECAIs			
444 (a)	Names of the ECAIs used in the calculation of Standardised Approach RWAs, and reasons for any changes.	N/A under Article 433a(2)	N/A
444 (b)	Exposure classes associated with each ECAI.		
444 (c)	Explanation of the process for translating external ratings into credit quality steps.	N/A - Translation and mapping is as per the guidance in Articles 135-141 of CRR II.	N/A
444 (d)	Mapping of external rating to credit quality steps.	N/A - Translation and mapping is as per the guidance in Articles 135-141 of CRR II.	N/A
444 (e)	Exposure value pre and post-credit risk mitigation, by credit quality step.	N/A under Article 433a(2)	N/A
Exposure to market risk			
445	Disclosure of position risk, large exposures exceeding limits, FX, settlement and commodities risk.	N/A under Article 433a(2)	N/A
Operational risk management			
446 (a)	The approaches for the assessment of own funds requirements for operation risk that the institution qualifies for.	N/A under Article 433a(2)	N/A
446 (b)	A description of the methodology set out in Article 312(2), including a discussion of the relevant internal and external factors considered in the institution's advanced measurement approach.	N/A	N/A
446 (c)	In the case of partial use, the scope and coverage of the different methodologies used.	N/A	N/A
Key metrics			
447 (a)	Composition of own funds and own funds requirements.	N/A under Article 433a(2)	N/A
447 (b)	The total risk exposure amount.		
447 (c)	Amount and composition of additional own funds.		
447 (d)	Combined buffer requirement which the institutions are required to hold.		
447 (e)	Leverage ratio and the total exposure measure.		
447 (f) (i)	Twelve months averages of the liquidity coverage ratio for each quarter.		
447 (f) (ii)	Twelve months averages of total liquid assets for each quarter.		
447 (f) (iii)	Twelve months averages of the liquidity outflows, inflows and net liquidity outflows for each quarter.		
447 (g) (i)	The net stable funding ratio at the end of each quarter		
447 (g) (ii)	The available stable funding at the end of each quarter		
447 (g) (iii)	The required stable funding at the end of each quarter		
447 (h)	Own funds and eligible liabilities ratios and their components, numerator and denominator	Table 1: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	13
Exposure to interest rate risk on positions not included in the trading book			
448 (1) (a)	The changes in the economic value of equity calculated under supervisory shock scenarios.	N/A under Article 433a(2)	N/A
448 (1) (b)	The changes in the net interest income calculated under supervisory shock scenarios.		
448 (1) (c)	A description of key modelling and parametric assumptions.	N/A - Tests reflect the scenarios outlined in CRD V Article 98.5a	N/A
448 (1) (d)	An explanation of the significance of the risk measures.	N/A under Article 433a(2)	N/A
448 (1) (e) (i)	A description of the specific risk measures that are used to evaluate changes economic value of equity and net interest income.		
448 (1) (e) (ii)	A description of the key modelling and parametric assumptions used where they differ from the provisions of Article 448(1)(c).		
448 (1) (e) (iii)	A description of the interest rate shock scenarios used to estimate the interest rate risk		
448 (1) (e) (iv)	The effect of hedges against interest rate risks.		
448 (1) (e) (v)	An outline of how often the evaluation of the interest rate risk occurs.		
448 (1) (f)	The description of the overall risk management and mitigation strategies.		
448 (1) (g)	Average and longest repricing maturity assigned to non-maturity deposits.		
448 (2)	By way of derogation from paragraph 1 of this Article, the requirements set out in points (c) and (e)(i) to (e)(iv) of paragraph 1 shall not apply to institutions that use the standardised methodology or the simplified standardised methodology.		

Exposures to securitisation positions			
449 (a)	A description of the institution's securitisation and re-securitisation activities including risk management and investment objectives, their role and whether the institution uses STS, and the extent of credit risk transfers to third parties	N/A under Article 433a(2)	N/A
449 (b)	The type of risks they are exposed to in their securitisation and re-securitisation activities by level of seniority of the relevant securitisation positions providing a distinction between STS and non-STS positions		
449 (b) (i)	The risk retained in own-originated transactions		
449 (b) (ii)	The risk incurred in relation to transactions originated by third parties		
449 (c)	Their approaches for calculating the risk-weighted exposure amounts that they apply to their securitisation activities.		
449 (d)	A list of SSPEs, with a description of their types of exposures to those SSPEs, including derivative contracts:		
449 (d) (i)	SSPEs which acquire exposures originated by the institutions.		
449 (d) (ii)	SSPEs sponsored by the institutions.		
449 (d) (iii)	SSPEs and other legal entities for which the institutions provide securitisation-related services		
449 (d) (iv)	SSPEs included in the institutions' regulatory scope of consolidation;		
449 (e)	A list of any legal entities in relation to which the institutions have disclosed that they have provided support in accordance with Chapter 5 of Title II of Part Three		
449 (f)	A list of legal entities affiliated with the institutions and that invest in securitisations originated by the institutions or in securitisation positions issued by SSPEs sponsored by the institutions.		
449 (g)	A summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions.		
449 (h)	The names of the ECAIs used for securitisations and the types of exposure for which each agency is used.		
449 (i)	Where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three.		
449 (j)	Separately for the trading book and the non-trading book, the carrying amount of securitisation exposures.		
449 (k) (i)	For the non-trading book activities, the aggregate amount of securitisation positions where institutions act as originator or sponsor and the associated risk-weighted assets and capital requirements by regulatory approaches.		
449 (k) (ii)	The aggregate amount of securitisation positions where institutions act as investor and the associated riskweighted assets and capital requirements by regulatory approaches.		
449 (l)	For exposures securitised by the institution, the amount of exposures in default and the amount of the specific credit risk adjustments made by the institution during the current period, both broken down by exposure type.		
Environmental, social and governance risks (ESG risks)			
449a	Large institutions which have issued securities that are admitted to trading on a regulated market of any Member State, shall disclose information on ESG risks, including physical risks and transition risks.	N/A	N/A
Remuneration policy			
450 (1) (a)	Information concerning the decision-making process used for determining the remuneration policy.	N/A under Article 433a(2)	N/A
450 (1) (b)	Information about the link between pay of the staff and their performance.		
450 (1) (c)	Important design characteristics of the remuneration system.		
450 (1) (d)	The ratios between fixed and variable remuneration.		
450 (1) (e)	Information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based.		
450 (1) (f)	Main parameters and rationale for any variable component scheme and any other non-cash benefits.		
450 (1) (g)	Aggregate quantitative information on remuneration by business area.		
450 (1) (h) 450 (1) (h) (i) 450 (1) (h) (ii) 450 (1) (h) (iii) 450 (1) (h) (iv) 450 (1) (h) (v) 450 (1) (h) (vi) 450 (1) (h) (vii)	Aggregate quantitative information on remuneration, broken down by senior staff management and members of staff whose actions have a material impact on the risk profile		
450 (1) (i)	Number of individuals that have been remunerated EUR 1 million or more per financial year.		
450 (1) (j)	Upon demand from the relevant Member State or competent authority, the total remuneration for each member of management or senior management.		
450 (1) (k)	Information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU.		
450 (2)	For large institutions, quantitative information on the remuneration of the collective management body shall be made available to the public, differentiating between executive and non-executive members.		

Leverage ratio			
451 (1) (a)	Leverage ratio.	N/A under Article 433a(2)	N/A
451 (1) (b)	Breakdown of total exposure measure.		
451 (1) (c)	Where applicable, the amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7);		
451 (1) (d)	Description of the process used to manage the risk of excessive leverage.		
451 (1) (e)	Description of the factors that had an impact on the leverage ratio.		
451 (2)	Public development credit institutions shall disclose the leverage ratio without the adjustment to the total exposure measure.		
451 (3)	Large institutions shall disclose the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages calculated in accordance with the implementing act referred to in Article 430(7).		
Liquidity requirements			
451a (1)	Disclose information on liquidity coverage ratio, net stable funding ratio and liquidity risk management.	N/A under Article 433a(2)	N/A
451a (2) (b)	The average of total liquid assets based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer.		
451a (2) (c)	The averages of liquidity outflows, inflows and net liquidity outflows, based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition.		
451a (2) (a)	The average of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period.		
451a (2) (b)	The average of total liquid assets based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer.		
451a (2) (c)	The averages of liquidity outflows, inflows and net liquidity outflows, based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition.		
451a (3) (a)	Quarter-end figures of the net stable funding ratio for each quarter of the relevant disclosure period.		
451a (3) (b)	An overview of the amount of available stable funding.		
451a (3) (c)	An overview of the amount of required stable funding.		
451a (3) (a)	Quarter-end figures of the net stable funding ratio for each quarter of the relevant disclosure period.		
451a (3) (b)	An overview of the amount of available stable funding.		
451a (3) (c)	An overview of the amount of required stable funding.		
451a (4)	Disclosure of the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor liquidity risk.		
451a (4)	Disclosure of the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor liquidity risk.		
Use of the IRB approach to credit risk			
452 (a)	The competent authority's permission of the approach.	N/A	N/A
452 (b)	The mechanisms for rating systems at the different stages of development, controls and change.	N/A	N/A
452 (c)	For each exposure class referred to in Article 147, the percentage of the total exposure value subject to the Standardised Approach or to the IRB approach.	N/A	N/A
452 (d)	The role of the functions involved in the development, approval and subsequent changes of the credit risk models.	N/A	N/A
452 (e)	The scope and main content of the reporting related to credit risk models.	N/A	N/A
452 (f)	A description of the internal ratings process by exposure class, including the number of key models used and a brief discussion of the main differences between the models.	N/A	N/A
452 (g)	As applicable, information relating to each exposure class referred to in Article 147.	N/A	N/A
452 (h)	Institutions' estimates of PDs against the actual default rate for each class over a longer period.	N/A	N/A
Use of credit risk mitigation techniques			
453 (a)	Use of on- and off-balance sheet netting.	N/A under Article 433a(2)	N/A
453 (b)	How collateral valuation is managed.		
453 (c)	Description of types of collateral used.		
453 (d)	Types of guarantor and credit derivative counterparty, and their creditworthiness.	N/A - BNY Mellon's EMEA entities do not enter into credit derivative transactions	N/A
453 (e)	Disclosure of market or credit risk concentrations within risk mitigation exposures.	N/A under Article 433a(2)	N/A
453 (f)	Under either the Standardised or IRB approach, disclose the exposure value not covered by any eligible credit protection and the total exposure valued covered by eligible credit protection.		
453 (g)	Conversion factors and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution		
453 (h)	Under the Standardised approach, the on- and off-balance-sheet exposure value by exposure class before and after conversion factors and any associated credit risk mitigation.		
453 (i)	Under the Standardised approach, the risk-weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying conversion factors and credit risk mitigation, for each exposure class.		

453 (j)	For risk-weighted exposure amounts under the IRB approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives.	N/A	N/A
Use of the Advanced Measurement Approaches to operational risk			
454	Description of the use of insurance or other risk transfer mechanisms to mitigate operational risk.	N/A	N/A
Use of internal market risk models			
455	Institutions calculating their capital requirements using internal market risk models.	N/A	N/A

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