

BNY MELLON CONSULTANT CONFERENCE EXECUTIVE ROUNDUP

John Guenther, Head of Executive Communications, BNY Mellon

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John Guenther: When I look at the 232-year history of this company, the last five years I would say, it has really been a major story, the transformation that we're going through; operationally, structurally, culturally. In some ways, you are an unlikely leader of a transformation, and I am going to say, Brian as well. How did we get to that point? What was the tipping point that got us to transformation, or was it that for 38 years you were sitting here seeing all these things, and it was like, 'I can try them now.'

Gerald Hassell: We have gone through a whole series of waves of transformation. We wouldn't be a 232-year old company if we didn't evolve and adapt to the circumstances in the marketplace. I would say one of the inflection points of the company occurred, I would say, about a dozen years ago, and so we made a very strategic move – which sounds easy in hindsight, at the time it was hard – to say we're going to sell off all of these things and we're going to place all of our bets on two main businesses; investment services and investment management.

That being said, we have gone through another transformation, John, as he suggested since then, and part of it is being driven by the technological changes that are occurring in the marketplace. We knew when we came to the conclusion as a leadership team and Brian and his team, many of whom are in the room, as well as other parts of the company, really made a foundational decision that for us to be effective for the future, we have to dramatically simplify the operating structure of the company. It is a multi-platform transformation, it is not just operational, it is cultural, it is personnel, it is talent, it is everything you can possibly think of, all with the goal for us to be the best service provider and the best investment manager on the planet for our clients.

John Guenther: Now, Brian has made it quite clear that technology leadership is a critical goal, so I guess the question is, how do you reconcile the technology piece with the traditional business model and why is technology leadership so important.



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Brian T. Shea: We have three simple high-level goals for investment services; we're trying to assert ourselves as the highest value provider of investment services globally; the industry service quality, productivity, and client experience leader, and the investment industry technology leader. So essentially what we're doing with our technology strategy in simple terms is extending that concept of shared economies of scale platform across the investment process more fully. We're creating an investment industry digital ecosystem or digital platform that will enable us to basically reduce our client's capital investment, better management integration costs and improve their profitability by delivering more solutions across the investment process and also by something that we developed and by opening up our systems, enabling us to integrate more seamlessly with our clients and with third parties, including bringing third party solution providers in an integrated way to our clients.

Monique R. Herena: We have really focused as a leadership team in terms of the way we spend our time and really increasing the percentage that we spend around business strategy and then how our talent can really help accelerate progress towards that strategy for the long-term, so we call our strategy "Play to Win." We really take a cross-stakeholder perspective, really, with kind of an outside-in view of how we show up competitively and we have really ensured that everything we're doing from a talent standpoint really reinforces that, and it started at the top. We have made organizational design changes, leadership changes, we have had a very public investor day plan that we will have another one coming up in 2017, that is so far so good. We're performing again, so all of this has come together with honoring and keeping and pointing out to our employees (our 50,000 employees globally) all of the guideposts or things that are special about BNY Mellon and our culture, and you know our people and work with them and there is a lot there, but also where we need to shift.

We have a really holistic and integrated talent management strategy, we have everything automated, it has been a very social and digital effort across the businesses, really working with the businesses on their critical priorities, and how we can help really move the needle forward for the long-term.

Gerald Hassell: I do want to thank you all for coming out and for participating and please give us your feedback, we genuinely want it, we want to understand where we're not meeting expectations or where things or challenges or problems that we're not addressing. We want to get better and better every single day to help you and help our end clients. Thank you very much for being here and being part of the session today. Thank you.



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