

BNY MELLON CONSULTANT CONFERENCE TECHNOLOGY INNOVATION

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Suresh Kumar: If you look at traditional companies, companies such as ourselves, we have a large number of clients, we have great financials, we have global scale, our clients trust us and we have the expertise in the businesses that we have been in, because in most cases, most of the businesses we have a high market share.

If you think about companies that start out as start-ups, be it Google or Facebook or Amazon, now they have all the advantages of a traditional business, they have more capital than anyone and they are highly profitable and they are growing like crazy, so even though they are no longer the typical start-up, they still have the things that got them there along with all the advantages a large company would have. So the question is; what gives them that advantage and what should us and our clients need to do differently to compete with the likes of a digital-nado. That is the genesis behind NEXEN®.

Lucille Mayer: Last year, we introduced the idea of NEXEN and we told you about our vision, a lot of what Suresh just articulated and showed to you our approach of how we were going to start to create this new digital platform where we could bring solutions to market faster. What is different than last year in this year is last year we were telling you, this year we're certainly going to show you the results and show you actionable solutions that are in production today

that are actually being used both internally and by our clients to actually have new ways of doing their work day to day.

Neil DiCicco: We're delivering now over 60 features from five lines of business through NEXEN Gateway. What does that mean? It means last year when we committed to digitizing our offering and delivering – like Suresh was saying – through a single portal in a consistent way, enhancing the client experience, that is exactly what we're doing, so you can see the growth in 2016 of the feature set that we now have part of NEXEN gateway. As the application became richer and richer throughout the year, that enabled



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us to introduce the application to more and more users. Last October, when we were in this room, we had on average about 1,900 users that were on the platform, again, using a subset of features, today, we're at 35,000 users that are able to work on the NEXEN Gateway platform, again, utilizing the over 60 services. And then by yearend, we project we will have 50,000 users able to do their job on NEXEN Gateway, cutting across, again, BNY Mellon, working in one portal.

Jennifer Cole: So Digital Pulse is our big data ecosystem and we're capturing events, and just to spend a minute on events, we're not just putting our transaction data in or production data, but we're capturing keystrokes, we're capturing log files, and what that really allows us to do is understand at every single point what our processes are like and we can measure things like the usability, we can measure things like our services etc. So what we're trying to do is full transparency here, and so what does this mean for you? What does it mean for your clients? It is really about being able to get near real-time data, to be able to see what we're seeing, work much more closely together to be proactive instead of reactive and the ease of use is really improving the customer experience.

Dean Stephan: Right now, we're developing a risk data aggregation and reporting solution, which is really designed to enhance our risk management capabilities by providing company-wide flexible and transparent reporting solutions.

Once we're complete, we will have a global view across all risk types, which really increases our visibility as it relates to exposure by client. Within BNY Mellon legal entities, we will be able to see our collateral positions relative to counterparties, we will also be able to see exposures by line of business, as well as by country, so it is very dynamic.

Our program is focused on leveraging common services. One of the things that we're doing is we're no longer directly to source systems, but we're leveraging an enterprise solution as it relates to data acquisition. Obviously, we're also using multiple components of NEXEN including the gateway and the API store. As a result, what we have been able to do is create – go from what had been static risk reporting to reporting that is really dynamic and I am going to show you some of that.

Saket Sharma: Now, this technology certainly has the potential longer term to really transform the financial markets. Having said that, there are a few impediments that it has to overcome before it really becomes meaningful in the marketplace. For example, network key, network effect is the key aspect of it, that means you need to have all the players onto the same network to really have this asset class adopted in the marketplace. The second aspect is risk and the legal frameworks have to evolve before this technology truly could be adopted. Last but not least, technology is still evolving and as we are looking at technology, standards will evolve, so we feel over the course of time, as innovation happens in this particular area, we will see standards evolving, really guiding us from an adoption perspective.

Lucille Mayer: It is very easy to talk about this vision, and I think Suresh's leadership has brought our firm together to think about we need to evolve and help our clients evolve for the future, and build things that our clients can leverage, but we are actually executing upon that, and what we're showing you here are things that are actually being used every single day, and like I said, there is lots more.



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