

The *Evolution* of Public Asset Owners



What factors are key to a successful digital transformation?

Christine Mikolajuk, Chief Operating Officer, Global Client Management, EMEA, BNY Mellon

June 2022

In our paper, "The Evolution of Public Asset Owners," institutions including central banks, public pension funds and sovereign wealth funds are navigating a fast-changing landscape. 63% of the asset owners we spoke to are exploring or driving transformation initiatives and digitization and data are crucial to their success. In our research, we looked at three themes: technology, data and talent. Here's what we found.

Cloud is *the* hot technology topic as public asset owners balance between its benefits and privacy considerations. Security, and cybersecurity specifically, is a critical concern, with 48% of public institutions naming it as their top challenge.

Over 60% view data integration and end-to-end visibility as a top digitization priority. Public asset owners recognize that data must be at the core of how they do business.

To do this, leading asset owners focus on the purpose, process and people behind their data. On the people front, we heard that putting data at the core takes strong engagement from institutional leaders, and it must ultimately be embedded in the organization's entire culture.

The approaches we found offer fresh perspectives for public asset owners and for the many organizations they engage.

bnymellon.com

BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation and may be used to reference the corporation as a whole and/or its various subsidiaries generally. This material does not constitute a recommendation by BNY Mellon of any kind. The information herein is not intended to provide tax, legal, investment, accounting, financial or other professional advice on any matter, and should not be used or relied upon as such. The views expressed within this material are those of the contributors and not necessarily those of BNY Mellon. BNY Mellon has not independently verified the information contained in this material and makes no representation as to the accuracy, completeness, timeliness, merchantability or fitness for a specific purpose of the information provided in this material. BNY Mellon assumes no direct or consequential liability for any errors in or reliance upon this material.

The Bank of New York Mellon, a banking corporation organized pursuant to the laws of the State of New York, whose registered office is at 240 Greenwich St, NY, NY 10286, USA. The Bank of New York Mellon is supervised and regulated by the New York State Department of Financial Services and the US Federal Reserve and is authorized by the Prudential Regulation Authority (PRA).

The Bank of New York Mellon operates in the UK through its London branch (UK companies house numbers FC005522 and BR000818) at One Canada Square, London E14 5AL and is subject to regulation by the Financial Conduct Authority (FCA) at 12 Endeavour Square, London, E20 1JN, UK and limited regulation by the Prudential Regulation Authority at Bank of England, Threadneedle St, London, EC2R 8AH, UK. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.

The Bank of New York Mellon SA/NV, a Belgian limited liability company, registered in the RPM Brussels with company number 0806.743.159, whose registered office is at 46 Rue Montoyerstraat, B-1000 Brussels, Belgium, authorized and regulated as a significant credit institution by the European Central Bank (ECB) at Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany, and the National Bank of Belgium (NBB) at Boulevard de Berlaimont/de Berlaimontlaan 14, 1000 Brussels, Belgium, under the Single Supervisory Mechanism and by the Belgian Financial Services and Markets Authority (FSMA) at Rue du Congrès/Congresstraat 12-14, 1000 Brussels, Belgium for conduct of business rules, and is a subsidiary of The Bank of New York Mellon.

The Bank of New York Mellon SA/NV operates in Ireland through its Dublin branch at Riverside II, Sir John Rogerson's Quay Grand Canal Dock, Dublin 2, D02KV60, Ireland and is registered with the Companies Registration Office in Ireland No. 907126 & with VAT No. IE 9578054E. The Bank of New York Mellon SA/NV, Dublin Branch is subject to limited additional regulation by the Central Bank of Ireland at New Wapping Street, North Wall Quay, Dublin 1, D01 F7X3, Ireland for conduct of business rules and registered with the Companies Registration Office in Ireland No. 907126 & with VAT No. IE 9578054E.

The Bank of New York Mellon SA/NV is trading in Germany as The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main, and has its registered office at MesseTurm, Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, Germany. It is subject to limited additional regulation by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany) under registration number 122721.

The Bank of New York Mellon SA/NV operates in the Netherlands through its Amsterdam branch at Strawinskylaan 337, WTC Building, Amsterdam, 1077 XX, the Netherlands. The Bank of New York Mellon SA/NV, Amsterdam Branch is subject to limited additional supervision by the Dutch Central Bank ('De Nederlandsche Bank' or 'DNB') on integrity issues only (registration number 34363596). DNB holds office at Westeinde 1, 1017 ZN Amsterdam, the Netherlands.

The Bank of New York Mellon SA/NV operates in Luxembourg through its Luxembourg branch at 2-4 rue Eugene Ruppert, Vertigo Building – Polaris, L- 2453, Luxembourg. The Bank of New York Mellon SA/NV, Luxembourg Branch is subject to limited additional regulation by the Commission de Surveillance du Secteur Financier at 283, route d'Arlon, L-1150 Luxembourg for conduct of business rules, and in its role as UCITS/AIF depositary and central administration agent.

The Bank of New York Mellon SA/NV operates in France through its Paris branch at 7 Rue Scribe, Paris, Paris 75009, France. The Bank of New York Mellon SA/NV, Paris Branch is subject to limited additional regulation by Secrétariat Général de l'Autorité de Contrôle Prudentiel at Première Direction du Contrôle de Banques (DCB 1), Service 2, 61, Rue Taitbout, 75436 Paris Cedex 09, France (registration number (SIREN) Nr. 538 228 420 RCS Paris - CIB 13733).

The Bank of New York Mellon SA/NV operates in Italy through its Milan branch at Via Mike Bongiorno no. 13, Diamantino building, 5th floor, Milan, 20124, Italy. The Bank of New York Mellon SA/NV, Milan Branch is subject to limited additional regulation by Banca d'Italia - Sede di Milano at Divisione Supervisione Banche, Via Cordusio no. 5, 20123 Milano, Italy (registration number 03351).

The Bank of New York Mellon SA/NV operates in Spain through its Madrid branch with registered office at Calle José Abascal 45, Planta 4a, 28003, Madrid, and enrolled on the Reg. Mercantil de Madrid, Tomo 41019, folio 185 (M-727448). The Bank of New York Mellon, Sucursal en España is registered with Banco de España (registration number 1573).

The Bank of New York Mellon SA/NV operates in Denmark as The Bank of New York Mellon SA/NV, Copenhagen Branch, filial af The Bank of New York Mellon SA/NV, Belgien, and has its registered office at Tuborg Boulevard 12/3, 2900 Hellerup, Denmark (CVR number: 41820063). It is subject to limited additional regulation by the Danish Financial Supervisory Authority (Finanstilsynet, Århusgade 110, 2100 København Ø).

BNY Mellon Fund Services (Ireland) Designated Activity Company is registered in Ireland No 218007, VAT No. IE8218007 W with a registered office at One Dockland Central, Guild Street, IFSC, Dublin 1. BNY Mellon Fund Services (Ireland) Designated Activity Company is regulated by the Central Bank of Ireland.

The Bank of New York Mellon (International) Limited is registered in England & Wales with Company No. 03236121 with its Registered Office at One Canada Square, London E14 5AL. The Bank of New York Mellon (International) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Regulatory information in relation to the above BNY Mellon entities operating out of Europe can be accessed at the following website: https://www.bnymellon.com/RID.

The Bank of New York Mellon has various subsidiaries, affiliates, branches and representative offices in the Asia-Pacific Region which are subject to regulation by the relevant local regulator in that jurisdiction. Details about the extent of our regulation and applicable regulators in the Asia-Pacific Region are available from us on request. Among others, The Bank of New York Mellon, Singapore Branch is subject to regulation by the Monetary Authority of Singapore. The Bank of New York Mellon, Hong Kong Branch (a banking corporation organized and existing under the laws of the State of New York with limited liability) is subject to regulation by the Hong Kong Monetary Authority and the Securities & Futures Commission of Hong Kong. The Bank of New York Mellon, Shanghai and Beijing branches are subject to regulation by the China Banking and Insurance Regulatory Commission. The Bank of New York Mellon, Seoul Branch is subject to regulation by the Financial Services Commission, the Financial Supervisory Service and The Bank of Korea. The Bank of New York Mellon, Taipei Branch is subject to regulation by the Financial Supervisory Commission R.O.C. (Taiwan) and Central Bank of the Republic of China (Taiwan).

The Bank of New York Mellon is regulated by the Australian Prudential Regulation Authority and also holds an Australian Financial Services Licence No. 527917 issued by the Australian Securities and Investments Commission to provide financial services to wholesale clients in Australia.

The Bank of New York Mellon Securities Company Japan Ltd, subject to supervision by the Financial Services Agency of Japan, acts as intermediary in Japan for The Bank of New York Mellon and its affiliates, with its registered office at Marunouchi Trust Tower Main, 1-8-3 Marunouchi, Chiyoda-ku, Tokyo 100-1005, Japan.

If this material is distributed in, or from, the Dubai International Financial Centre ("DIFC"), it is communicated by The Bank of New York Mellon, DIFC Branch, regulated by the DFSA and located at DIFC, The Exchange Building 5 North, Level 6, Room 601, P.O. Box 506723, Dubai, UAE, on behalf of The Bank of New York Mellon, which is a wholly-owned subsidiary of The Bank of New York Mellon Corporation. This material is intended for Professional Clients and Market Counterparties only and no other person should act upon it.

Past performance is not a guide to future performance of any instrument, transaction or financial structure and a loss of original capital may occur. Calls and communications with BNY Mellon may be recorded, for regulatory and other reasons.

Disclosures in relation to certain other BNY Mellon group entities can be accessed at the following website: http://disclaimer.bnymellon.com/eu.htm.

This document and the statements contained herein, are not an offer or solicitation to buy or sell any products (including financial products) or services or to participate in any particular strategy mentioned and should not be construed as such. This material is intended for wholesale/professional clients (or the equivalent only), is not intended for use by retail clients and no other person should act upon it. Persons who do not have professional experience in matters relating to investments should not rely on this material. BNY Mellon will only provide the relevant investment services to investment professionals.

Not all products and services are offered in all countries.

If distributed in the UK, this material is a financial promotion. If distributed in the EU, this material is a marketing communication

This material, which may be considered advertising, is for general information purposes only and is not intended to provide legal, tax, accounting, investment, financial or other professional advice on any matter. This material does not constitute a recommendation or advice by BNY Mellon of any kind. Use of our products and services is subject to various regulations and regulatory oversight. You should discuss this material with appropriate advisors in the context of your circumstances before acting in any manner on this material or agreeing to use any of the referenced products or services and make your own independent assessment (based on such advice) as to whether the referenced products or services are appropriate or suitable for you. This material may not be comprehensive or up to date and there is no undertaking as to the accuracy, timeliness, completeness or fitness for a particular purpose of information given. BNY Mellon will not be responsible for updating any information contained within this material and opinions and information contained herein are subject to change without notice. BNY Mellon assumes no direct or consequential liability for any errors in or reliance upon this material.

This material may not be distributed or used for the purpose of providing any referenced products or services or making any offers or solicitations in any jurisdiction or in any circumstances in which such products, services, offers or solicitations are unlawful or not authorized, or where there would be, by virtue of such distribution, new or additional registration requirements.

© 2022 The Bank of New York Mellon Corporation. All rights reserved.

