

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

**For the Quarterly Period Ended March 31, 2024**

or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 001-35651

**THE BANK OF NEW YORK MELLON CORPORATION**

*(Exact name of registrant as specified in its charter)*

**Delaware**

**13-2614959**

*(State or other jurisdiction of incorporation or organization)*

*(I.R.S. Employer Identification No.)*

240 Greenwich Street  
New York, New York 10286  
*(Address of principal executive offices) (Zip Code)*

Registrant's telephone number, including area code – (212) 495-1784

Not Applicable

*(Former name, former address and former fiscal year, if changed since last report)*

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	BK	New York Stock Exchange
6.244% Fixed-to-Floating Rate Normal Preferred Capital Securities of Mellon Capital IV (fully and unconditionally guaranteed by The Bank of New York Mellon Corporation)	BK/P	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of March 31, 2024, 747,815,835 shares of the registrant's common stock, \$0.01 par value per share, were outstanding.

**THE BANK OF NEW YORK MELLON CORPORATION**

**First Quarter 2024 Form 10-Q  
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# The Bank of New York Mellon Corporation (and its subsidiaries)

## Consolidated Financial Highlights (unaudited)

<i>(dollars in millions, except per share amounts and unless otherwise noted)</i>	Quarter ended		
	March 31, 2024	Dec. 31, 2023	March 31, 2023
<b>Results applicable to common shareholders of The Bank of New York Mellon Corporation:</b>			
Net income <i>(a)</i>	\$ 953	\$ 162	\$ 911
Basic earnings per share <i>(a)</i>	\$ 1.26	\$ 0.21	\$ 1.13
Diluted earnings per share <i>(a)</i>	\$ 1.25	\$ 0.21	\$ 1.13
Fee and other revenue <i>(a)</i>	\$ 3,487	\$ 3,257	\$ 3,287
Net interest income	1,040	1,101	1,128
Total revenue <i>(a)</i>	\$ 4,527	\$ 4,358	\$ 4,415
Return on common equity <i>(annualized) (a)</i>	10.7%	1.8%	10.4%
Return on tangible common equity <i>(annualized) – Non-GAAP (a)(b)</i>	20.7%	3.6%	20.5%
Fee revenue as a percentage of total revenue <i>(a)</i>	73%	74%	71%
Non-U.S. revenue as a percentage of total revenue <i>(a)</i>	34%	36%	34%
Pre-tax operating margin <i>(a)</i>	29%	6%	29%
Net interest margin	1.19%	1.26%	1.29%
Net interest margin on a fully taxable equivalent (“FTE”) basis – Non-GAAP <i>(c)</i>	1.19%	1.26%	1.29%
Assets under custody and/or administration (“AUC/A”) at period end <i>(in trillions) (d)</i>	\$ 48.8	\$ 47.8	\$ 46.6
Assets under management (“AUM”) at period end <i>(in trillions) (e)</i>	\$ 2.02	\$ 1.97	\$ 1.91
<b>Average common shares and equivalents outstanding <i>(in thousands)</i>:</b>			
Basic	756,937	767,146	803,340
Diluted	762,268	772,102	807,718
<b>Selected average balances:</b>			
Interest-earning assets	\$ 346,133	\$ 344,174	\$ 348,378
Total assets <i>(a)</i>	\$ 403,985	\$ 401,605	\$ 407,278
Interest-bearing deposits	\$ 228,897	\$ 220,408	\$ 204,114
Noninterest-bearing deposits	\$ 49,949	\$ 52,667	\$ 69,886
Long-term debt	\$ 31,087	\$ 30,702	\$ 30,246
Preferred stock	\$ 4,343	\$ 4,773	\$ 4,838
Total The Bank of New York Mellon Corporation common shareholders’ equity <i>(a)</i>	\$ 35,905	\$ 36,050	\$ 35,483
<b>Other information at period end:</b>			
Cash dividends per common share	\$ 0.42	\$ 0.42	\$ 0.37
Common dividend payout ratio <i>(a)</i>	34%	202%	33%
Common dividend yield <i>(annualized)</i>	2.9%	3.2%	3.3%
Closing stock price per common share	\$ 57.62	\$ 52.05	\$ 45.44
Market capitalization	\$ 43,089	\$ 39,524	\$ 35,858
Book value per common share <i>(a)</i>	\$ 48.44	\$ 47.97	\$ 45.22
Tangible book value per common share – Non-GAAP <i>(a)(b)</i>	\$ 25.44	\$ 25.25	\$ 23.38
Full-time employees	52,100	53,400	51,600
Common shares outstanding <i>(in thousands)</i>	747,816	759,344	789,134

## Consolidated Financial Highlights (unaudited) (continued)

Regulatory capital and other ratios	March 31, 2024	Dec. 31, 2023
Average liquidity coverage ratio (“LCR”)	117%	117%
Average net stable funding ratio (“NSFR”)	136%	135%
<b>Regulatory capital ratios: (a)(f)</b>		
<b>Advanced Approaches:</b>		
Common Equity Tier 1 (“CET1”) ratio	11.1%	11.5%
Tier 1 capital ratio	13.7	14.2
Total capital ratio	14.5	14.9
<b>Standardized Approach:</b>		
CET1 ratio	10.8%	11.9%
Tier 1 capital ratio	13.4	14.6
Total capital ratio	14.3	15.6
Tier 1 leverage ratio	5.9%	6.0%
Supplementary leverage ratio (“SLR”)	7.0	7.3
BNY Mellon shareholders’ equity to total assets ratio (a)	9.3%	9.9%
BNY Mellon common shareholders’ equity to total assets ratio (a)	8.3	8.9

- (a) Prior periods were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.
- (b) Return on tangible common equity and tangible book value per common share, Non-GAAP measures, exclude goodwill and intangible assets, net of deferred tax liabilities. See “Supplemental information – Explanation of GAAP and Non-GAAP financial measures” beginning on page 41 for the reconciliation of Non-GAAP measures.
- (c) See “Net interest income” on page 9 for a reconciliation of this Non-GAAP measure.
- (d) Consists of AUC/A primarily from the Asset Servicing line of business and, to a lesser extent, the Clearance and Collateral Management, Issuer Services, Pershing and Wealth Management lines of business. Includes the AUC/A of CIBC Mellon Global Securities Services Company (“CIBC Mellon”), a joint venture with the Canadian Imperial Bank of Commerce, of \$1.7 trillion at March 31, 2024 and Dec. 31, 2023 and \$1.5 trillion at March 31, 2023.
- (e) Excludes assets managed outside of the Investment and Wealth Management business segment.
- (f) For our CET1, Tier 1 capital and Total capital ratios, our effective capital ratios under U.S. capital rules are the lower of the ratios as calculated under the Standardized and Advanced Approaches. For additional information on our capital ratios, see “Capital” beginning on page 33.

**Items 2. and 3. Management’s Discussion and Analysis of Financial Condition and Results of Operations; Quantitative and Qualitative Disclosures about Market Risk**

**General**

In this Quarterly Report on Form 10-Q, references to “our,” “we,” “us,” “BNY Mellon,” the “Company” and similar terms refer to The Bank of New York Mellon Corporation and its consolidated subsidiaries. The term “Parent” refers to The Bank of New York Mellon Corporation but not its subsidiaries.

Certain business terms used in this report are defined in the Glossary included in our Annual Report on Form 10-K for the year ended Dec. 31, 2023 (the “2023 Annual Report”).

The following should be read in conjunction with the Consolidated Financial Statements included in this report. Investors should also read the section titled “Forward-looking Statements.”

**Overview**

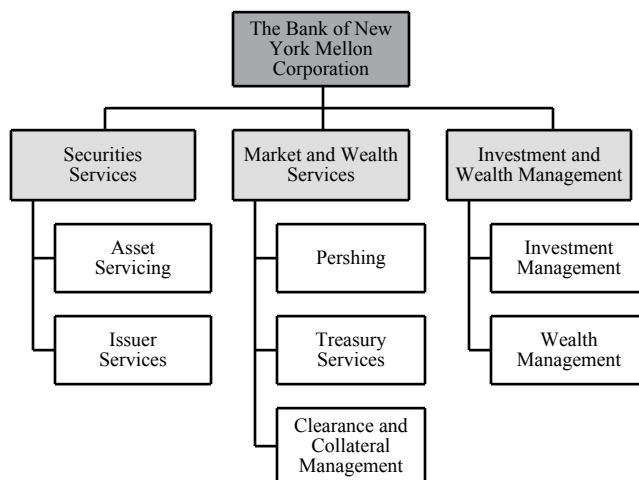
BNY Mellon is a global financial services company that helps make money work for the world – managing it, moving it and keeping it safe. For 240 years we have partnered alongside our clients, putting our expertise and platforms to work to help them achieve their ambitions. Today we help over 90% of Fortune 100 companies and nearly all the top 100 banks globally access the money they need. We support governments in funding local projects and work with over 90% of the top 100 pension plans to safeguard investments for millions of individuals, and so much more. As of March 31, 2024, we oversee \$48.8 trillion in assets under custody and/or administration and \$2.0 trillion in assets under management.

BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). We are headquartered in New York City, employ over 50,000 people globally and have been named among Fortune’s World’s Most Admired Companies and Fast Company’s Best Workplaces for Innovators.

BNY Mellon has three business segments, Securities Services, Market and Wealth Services and Investment and Wealth Management, which offer a comprehensive set of capabilities and deep expertise across the investment life cycle, enabling the

Company to provide solutions to buy-side and sell-side market participants, as well as leading institutional and wealth management clients globally.

The diagram below presents our three business segments and lines of business, with the remaining operations in the Other segment.



**Highlights of first quarter 2024 results**

Net income applicable to common shareholders was \$953 million, or \$1.25 per diluted common share, in the first quarter of 2024, including the impact of notable items. Notable items in the first quarter of 2024 include severance expense and litigation reserves. Excluding notable items, net income applicable to common shareholders was \$982 million (Non-GAAP), or \$1.29 (Non-GAAP) per diluted common share, in the first quarter of 2024. Net income applicable to common shareholders was \$911 million, or \$1.13 per diluted common share, in the first quarter of 2023, including the impact of notable items. Notable items in the first quarter of 2023 include litigation reserves and a disposal loss. Excluding notable items, net income applicable to common shareholders was \$915 million (Non-GAAP), or \$1.13 (Non-GAAP) per diluted common share, in the first quarter of 2023.

The highlights below are based on the first quarter of 2024 compared with the first quarter of 2023, unless otherwise noted.

- Total revenue increased 3%, primarily reflecting:
  - Fee revenue increased 5%, primarily reflecting higher market values and higher client activity, partially offset by lower foreign exchange volatility, the mix of AUM flows and lower performance fees. (See “Fee and other revenue” beginning on page 6.)
  - Investment and other revenue increased primarily reflecting higher other investment, other trading and seed capital results. (See “Fee and other revenue” beginning on page 6.)
  - Net interest income decreased 8%, primarily reflecting changes in balance sheet mix, partially offset by higher interest rates. (See “Net interest income” on page 9.)
- Provision for credit losses was \$27 million, primarily driven by reserve increases related to commercial real estate exposure. (See “Consolidated balance sheet review – Allowance for credit losses” beginning on page 27.)
- Noninterest expense increased 2%, primarily reflecting higher investments, severance expense and employee merit increases, partially offset by efficiency savings. Excluding notable items, noninterest expense increased 1% (Non-GAAP). (See “Noninterest expense” on page 11.)
- Effective tax rate of 22.4%. (See “Income taxes” on page 11.)
- Return on common equity (“ROE”) was 10.7% for the first quarter of 2024. Excluding notable items, the adjusted ROE was 11.0% (Non-GAAP) for the first quarter of 2024.
- Return on tangible common equity (“ROTCE”) was 20.7% (Non-GAAP) for the first quarter of

2024. Excluding notable items, the adjusted ROTCE was 21.3% (Non-GAAP) for the first quarter of 2024.

See “Supplemental information – Explanation of GAAP and Non-GAAP financial measures” beginning on page 41 for a reconciliation of these Non-GAAP measures.

### Metrics

- AUC/A of \$48.8 trillion increased 5%, primarily reflecting higher market values, partially offset by lower collateral management balances.
- AUM of \$2.0 trillion increased 6%, primarily reflecting higher market values.

### Capital and liquidity

- Our CET1 ratio calculated under the Standardized Approach was 10.8% at March 31, 2024 and 11.5% at Dec. 31, 2023 under the Advanced Approaches. The decrease reflects higher period-end risk-weighted assets and the reduction in capital. (See “Capital” beginning on page 33.)
- Tier 1 leverage was 5.9% at March 31, 2024 and 6.0% at Dec. 31, 2023. The decrease reflects the reduction in capital and higher average assets. (See “Capital” beginning on page 33.)
- Returned \$1.3 billion to common shareholders, including \$988 million of common share repurchases.

## Fee and other revenue

Fee and other revenue				1Q24 vs.	
	1Q24	4Q23	1Q23	4Q23	1Q23
<i>(dollars in millions, unless otherwise noted)</i>					
Investment services fees	\$ 2,278	\$ 2,242	\$ 2,119	2%	8%
Investment management and performance fees (a)	776	743	776	4	—
Foreign exchange revenue	152	143	176	6	(14)
Financing-related fees	57	45	52	27	10
Distribution and servicing fees	42	41	33	2	27
Total fee revenue	3,305	3,214	3,156	3	5
Investment and other revenue (b)	182	43	131	N/M	N/M
Total fee and other revenue (b)	\$ 3,487	\$ 3,257	\$ 3,287	7%	6%
Fee revenue as a percentage of total revenue	73%	74%	71%		
AUC/A at period end (in trillions) (c)	\$ 48.8	\$ 47.8	\$ 46.6	2%	5%
AUM at period end (in billions) (d)	\$ 2,015	\$ 1,974	\$ 1,908	2%	6%

(a) Excludes seed capital gains (losses) related to consolidated investment management funds.

(b) Prior periods were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

(c) Consists of AUC/A primarily from the Asset Servicing line of business and, to a lesser extent, the Clearance and Collateral Management, Issuer Services, Pershing and Wealth Management lines of business. Includes the AUC/A of CIBC Mellon of \$1.7 trillion at March 31, 2024 and Dec. 31, 2023 and \$1.5 trillion at March 31, 2023.

(d) Excludes assets managed outside of the Investment and Wealth Management business segment.

N/M – Not meaningful.

Fee revenue increased 5% compared with the first quarter of 2023 and 3% compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher investment services fees, partially offset by lower foreign exchange revenue. The increase compared with the fourth quarter of 2023 primarily reflects higher investment services fees and investment management and performance fees.

Investment and other revenue increased \$51 million compared with the first quarter of 2023 and \$139 million compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher other investment, other trading and seed capital results. The increase compared with the fourth quarter of 2023 primarily reflects the reduction in the fair value of a contingent consideration receivable in the fourth quarter of 2023.

### Investment services fees

Investment services fees increased 8% compared with the first quarter of 2023 and 2% compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher market values, net new business and higher collateral management fees and clearance volumes. The

increase compared with the fourth quarter of 2023 primarily reflects higher market values and client activity, partially offset by lower Depository Receipts revenue.

AUC/A totaled \$48.8 trillion at March 31, 2024, an increase of 5% compared with March 31, 2023, primarily reflecting higher market values, partially offset by lower collateral management balances. AUC/A consisted of 37% equity securities and 63% fixed income securities at March 31, 2024, and 33% equity securities and 67% fixed income securities at March 31, 2023.

See “Securities Services business segment” and “Market and Wealth Services business segment” in “Review of business segments” for additional details.

### Investment management and performance fees

Investment management and performance fees were flat compared with the first quarter of 2023 and increased 4% compared with the fourth quarter of 2023. Compared with the first quarter of 2023, higher market values were offset by the mix of AUM flows and lower performance fees. The increase compared with the fourth quarter of 2023 primarily reflects higher market values, partially offset by the

timing of performance fees. Performance fees were \$10 million in the first quarter of 2024, \$22 million in the first quarter of 2023 and \$19 million in the fourth quarter of 2023. On a constant currency basis (Non-GAAP), investment management and performance fees decreased 1% compared with the first quarter of 2023. See “Supplemental information – Explanation of GAAP and Non-GAAP financial measures” beginning on page 41 for the reconciliation of Non-GAAP measures.

AUM was \$2.0 trillion at March 31, 2024, an increase of 6% compared with March 31, 2023, primarily reflecting higher market values.

See “Investment and Wealth Management business segment” in “Review of business segments” for additional details regarding the drivers of investment management and performance fees, AUM and AUM flows.

#### *Foreign exchange revenue*

Foreign exchange revenue is primarily driven by the volume of client transactions and the spread realized on these transactions, both of which are impacted by market volatility, the impact of foreign currency hedging activities and foreign currency remeasurement gain (loss). Foreign exchange revenue decreased 14% compared with the first quarter of 2023 and increased 6% compared with the fourth quarter of 2023. The decrease compared with the first quarter of 2023 primarily reflects lower volatility. The increase compared with the fourth quarter of 2023 primarily reflects higher volumes. Foreign exchange revenue is primarily reported in the Securities Services business segment and, to a lesser extent, in the Market and Wealth Services and Investment and Wealth Management business segments and the Other segment.

#### *Financing-related fees*

Financing-related fees, which are primarily reported in the Market and Wealth Services and Securities Services business segments, include capital market fees, loan commitment fees and credit-related fees. Financing-related fees increased 10% compared with the first quarter of 2023 and 27% compared with the fourth quarter of 2023, primarily reflecting higher underwriting fees.

#### *Investment and other revenue*

Investment and other revenue includes income or loss from consolidated investment management funds, seed capital gains or losses, other trading revenue or loss, renewable energy investments gains, income from corporate and bank-owned life insurance contracts, other investment gains or losses, gains or losses from disposals, expense reimbursements from our CIBC Mellon joint venture, other income or loss and net securities gains or losses. The income or loss from consolidated investment management funds should be considered together with the net income or loss attributable to noncontrolling interests, which reflects the portion of the consolidated funds for which we do not have an economic interest and is reflected below net income as a separate line item on the consolidated income statement. Other trading revenue or loss primarily includes the impact of market-risk hedging activity related to our seed capital investments in investment management funds, non-foreign currency derivative and fixed income trading, and other hedging activity. Other investment gains or losses includes fair value changes of non-readily marketable strategic equity, private equity and other investments. Expense reimbursements from our CIBC Mellon joint venture relate to expenses incurred by BNY Mellon on behalf of the CIBC Mellon joint venture. Other income includes various miscellaneous revenues.



The following table provides the components of investment and other revenue.

<b>Investment and other revenue</b> <i>(in millions)</i>	<b>1Q24</b>	<b>4Q23</b>	<b>1Q23</b>
Income from consolidated investment management funds	\$ 15	\$ 26	\$ 5
Seed capital gains <i>(a)</i>	14	18	8
Other trading revenue	69	47	45
Renewable energy investments gains <i>(b)</i>	6	2	20
Corporate/bank-owned life insurance	28	39	27
Other investments gains (losses) <i>(c)</i>	17	55	(9)
Disposal (losses)	—	(6)	(1)
Expense reimbursements from joint venture	27	28	29
Other income (loss)	7	(118)	8
Net securities (losses)	(1)	(48)	(1)
<b>Total investment and other revenue <i>(b)</i></b>	<b>\$ 182</b>	<b>\$ 43</b>	<b>\$ 131</b>

*(a) Includes gains (losses) on investments in BNY Mellon funds which hedge deferred incentive awards.*

*(b) Prior periods were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.*

*(c) Includes strategic equity, private equity and other investments.*

The increase in total investment and other revenue compared with the first quarter of 2023 primarily reflects higher other investment, other trading and seed capital results. The increase compared with the fourth quarter of 2023 primarily reflects the reduction in the fair value of a contingent consideration receivable in the fourth quarter of 2023.

## Net interest income

Net interest income				1Q24 vs.	
	1Q24	4Q23	1Q23	4Q23	1Q23
<i>(dollars in millions)</i>					
Net interest income	\$ 1,040	\$ 1,101	\$ 1,128	(6)%	(8)%
Add: Tax equivalent adjustment	—	1	—	N/M	N/M
Net interest income (FTE) – Non-GAAP (a)	\$ 1,040	\$ 1,102	\$ 1,128	(6)%	(8)%
Average interest-earning assets	\$346,133	\$344,174	\$348,378	1%	(1)%
Net interest margin	1.19%	1.26%	1.29%	(7) bps	(10) bps
Net interest margin (FTE) – Non-GAAP (a)	1.19%	1.26%	1.29%	(7) bps	(10) bps

(a) Net interest income (FTE) – Non-GAAP and net interest margin (FTE) – Non-GAAP include the tax equivalent adjustments on tax-exempt income, which allows for comparisons of amounts arising from both taxable and tax-exempt sources and is consistent with industry practice. The adjustment to an FTE basis has no impact on net income.

N/M – Not meaningful.

bps – basis points.

Net interest income decreased 8% compared with the first quarter of 2023 and 6% compared with the fourth quarter of 2023. The decrease compared with the first quarter of 2023 primarily reflects changes in balance sheet mix, partially offset by higher interest rates. The decrease compared with the fourth quarter of 2023 primarily reflects changes in balance sheet mix.

Net interest margin decreased 10 basis points compared with the first quarter of 2023 and 7 basis points compared with the fourth quarter of 2023. The changes compared with the first quarter of 2023 and the fourth quarter of 2023 primarily reflect the factors mentioned above.

Average interest-earning assets decreased 1% compared with the first quarter of 2023 and increased 1% compared with the fourth quarter of 2023. The decrease compared with the first quarter of 2023 primarily reflects lower securities and interest-bearing deposits with banks, partially offset by higher interest-bearing deposits with the Federal Reserve and other central banks. The increase compared with the fourth quarter of 2023 primarily reflects higher securities balances, partially offset by lower interest-bearing deposits with the Federal Reserve and other central banks.

Average non-U.S. dollar deposits comprised approximately 25% of our average total deposits in the first quarter of 2024. Approximately 45% of the average non-U.S. dollar deposits in the first quarter of 2024 were euro-denominated.

Average balances and interest rates	Quarter ended								
	March 31, 2024			Dec. 31, 2023			March 31, 2023		
	Average balance	Interest	Average rates	Average balance	Interest	Average rates	Average balance	Interest	Average rates
<i>(dollars in millions; average rates annualized)</i>									
<b>Assets</b>									
Interest-earning assets:									
Interest-bearing deposits with the Federal Reserve and other central banks	\$ 102,795	\$ 1,219	4.69%	\$ 107,291	\$ 1,294	4.72%	\$ 94,899	\$ 853	3.59%
Interest-bearing deposits with banks	11,724	121	4.16	12,110	130	4.26	16,225	140	3.51
Federal funds sold and securities purchased under resale agreements (a)	27,019	2,433	36.22	25,753	2,308	35.55	24,631	991	16.32
Loans	65,844	1,061	6.48	65,677	1,064	6.43	63,261	866	5.54
Securities:									
U.S. government obligations	27,242	250	3.70	28,641	245	3.40	38,852	279	2.89
U.S. government agency obligations	63,135	508	3.22	59,067	436	2.95	62,280	405	2.60
Other securities (b)	43,528	435	4.01	39,415	399	4.03	42,452	338	3.21
Total investment securities (b)	133,905	1,193	3.57	127,123	1,080	3.39	143,584	1,022	2.86
Trading securities (b)	4,846	69	5.75	6,220	88	5.59	5,778	70	4.97
Total securities (b)	138,751	1,262	3.65	133,343	1,168	3.49	149,362	1,092	2.94
Total interest-earning assets (b)	\$ 346,133	\$ 6,096	7.06%	\$ 344,174	\$ 5,964	6.86%	\$ 348,378	\$ 3,942	4.56%
Noninterest-earning assets	57,852			57,431			58,900		
Total assets	\$ 403,985			\$ 401,605			\$ 407,278		
<b>Liabilities and equity</b>									
Interest-bearing liabilities:									
Interest-bearing deposits	\$ 228,897	\$ 2,187	3.84%	\$ 220,408	\$ 2,108	3.79%	\$ 204,114	\$ 1,366	2.71%
Federal funds purchased and securities sold under repurchase agreements (a)	16,133	2,243	55.91	16,065	2,122	52.41	18,316	892	19.75
Trading liabilities	1,649	21	5.11	2,857	35	4.83	3,025	30	4.05
Other borrowed funds	502	4	3.47	465	6	5.56	711	3	1.75
Commercial paper	8	—	5.42	5	—	5.40	—	—	—
Payables to customers and broker-dealers	12,420	146	4.74	12,586	148	4.67	16,954	128	3.08
Long-term debt	31,087	455	5.82	30,702	443	5.70	30,246	395	5.22
Total interest-bearing liabilities	\$ 290,696	\$ 5,056	6.99%	\$ 283,088	\$ 4,862	6.81%	\$ 273,366	\$ 2,814	4.17%
Total noninterest-bearing deposits	49,949			52,667			69,886		
Other noninterest-bearing liabilities	23,005			24,962			23,687		
Total liabilities	363,650			360,717			366,939		
Total The Bank of New York Mellon Corporation shareholders' equity	40,248			40,823			40,321		
Noncontrolling interests	87			65			18		
Total liabilities and equity	\$ 403,985			\$ 401,605			\$ 407,278		
Net interest income (FTE) – Non-GAAP (b)(c)		\$ 1,040			\$ 1,102			\$ 1,128	
Net interest margin (FTE) – Non-GAAP (b)(c)			1.19%			1.26%			1.29%
Less: Tax equivalent adjustment		—			1			—	
Net interest income – GAAP		\$ 1,040			\$ 1,101			\$ 1,128	
Net interest margin – GAAP			1.19%			1.26%			1.29%

(a) Includes the average impact of offsetting under enforceable netting agreements of approximately \$151 billion for the first quarter of 2024, \$141 billion for the fourth quarter of 2023 and \$62 billion for the first quarter of 2023. On a Non-GAAP basis, excluding the impact of offsetting, the yield on federal funds sold and securities purchased under resale agreements would have been 5.49% for the first quarter of 2024, 5.48% for the fourth quarter of 2023 and 4.62% for the first quarter of 2023. On a Non-GAAP basis, excluding the impact of offsetting, the rate on federal funds purchased and securities sold under repurchase agreements would have been 5.38% for the first quarter of 2024, 5.35% for the fourth quarter of 2023 and 4.49% for the first quarter of 2023. We believe providing the rates excluding the impact of netting is useful to investors as it is more reflective of the actual rates earned and paid.

(b) Average rates were calculated on an FTE basis, at tax rates of approximately 21%.

(c) See "Net interest income" on page 9 for the reconciliation of this Non-GAAP measure.

## Noninterest expense

Noninterest expense				1Q24 vs.	
	1Q24	4Q23	1Q23	4Q23	1Q23
<i>(dollars in millions)</i>					
Staff	\$ 1,857	\$ 1,831	\$ 1,791	1%	4%
Software and equipment	475	486	429	(2)	11
Professional, legal and other purchased services	349	406	375	(14)	(7)
Net occupancy	124	162	119	(23)	4
Sub-custodian and clearing	119	117	118	2	1
Distribution and servicing	96	88	85	9	13
Business development	36	61	39	(41)	(8)
Bank assessment charges	17	670	40	(97)	(58)
Amortization of intangible assets	12	14	14	(14)	(14)
Other	91	160	90	(43)	1
Total noninterest expense	\$ 3,176	\$ 3,995	\$ 3,100	(21)%	2%
Full-time employees at period end	52,100	53,400	51,600	(2)%	1%

Total noninterest expense increased 2% compared with the first quarter of 2023, primarily reflecting higher investments, severance expense and employee merit increases, partially offset by efficiency savings. Excluding notable items, noninterest expense increased 1% (Non-GAAP) compared with the first quarter of 2023. The investments in growth, infrastructure and efficiency initiatives are primarily included in staff, software and equipment, and professional, legal and other purchased services expenses. Total noninterest expense decreased 21% compared with the fourth quarter of 2023, primarily reflecting the impact of notable items recorded in 2023, including the Federal Deposit Insurance Corporation (“FDIC”) special assessment, severance expense and litigation reserves, and the favorable impact of efficiency savings, partially offset by higher revenue-related expenses. Excluding notable items, noninterest expense increased 1% (Non-GAAP) compared with the fourth quarter of 2023.

See “Supplemental information – Explanation of GAAP and Non-GAAP financial measures” beginning on page 41 for the reconciliation of this Non-GAAP measure.

### Income taxes

BNY Mellon recorded an income tax provision of \$297 million (22.4% effective tax rate) in the first quarter of 2024. The income tax provision was \$306 million (23.8% effective tax rate) in the first quarter of 2023 and \$73 million (26.2% effective tax rate) in the fourth quarter of 2023.

On Jan. 1, 2024, we adopted ASU 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*, on a retrospective basis. See Note 2 of the Notes to Consolidated Financial Statements for additional information on the new accounting guidance.

For additional information on income taxes, see Note 11 of the Notes to Consolidated Financial Statements.

### Review of business segments

We have an internal information system that produces performance data along product and service lines for our three principal business segments: Securities Services, Market and Wealth Services and Investment and Wealth Management, and the Other segment.

#### *Business segment accounting principles*

Our business segment data has been determined on an internal management basis of accounting, rather than the generally accepted accounting principles (“GAAP”) used for consolidated financial reporting. These measurement principles are designed so that reported results of the businesses will track their economic performance.

For information on the accounting principles of our business segments, see Note 19 of the Notes to Consolidated Financial Statements. For information on the primary products and services in each line of business, the primary types of revenue by line of

business and how our business segments are presented and analyzed, see Note 24 of the Notes to Consolidated Financial Statements in our 2023 Annual Report.

Business segment results are subject to reclassification when organizational changes are made, or for refinements in revenue and expense allocation methodologies. Refinements are typically reflected on a prospective basis. In the first quarter of 2024, we made certain realignments of similar products and services within our lines of business consistent with the firm's ongoing transition to a platforms operating model uniting related capabilities and enabling streamlining of internal processes to drive growth, efficiency, resiliency, and enhanced risk management. The largest change was the movement of Institutional Solutions from Pershing to Clearance and Collateral Management, both in the Market and Wealth Services business segment. We made other smaller changes that moved activity from Asset Servicing in the Securities Services business segment to Treasury Services in the Market and Wealth Services business segment, and from Wealth Management in the Investment and Wealth Management business segment and Pershing in the Market and Wealth Services business segment to Investment Management in the Investment and Wealth Management business segment. The Other segment was not impacted by the changes. Prior period business segment results have been revised to reflect these changes.

The results of our business segments may be influenced by client and other activities that vary by quarter. In the first quarter, staff expense typically increases, reflecting the vesting of long-term stock awards for retirement-eligible employees. The timing of our annual employee merit increases also impacts staff expense. In 2024, the merit increase was effective in March, thus partially impacting the first quarter and second quarter staff expense variances. For 2023, the merit increase was effective at the beginning of the second quarter. In the third quarter,

volume-related fees may decline due to reduced client activity. In the fourth quarter, we typically incur higher business development and marketing expenses. In our Investment and Wealth Management business segment, performance fees are typically higher in the fourth and first quarters, as those quarters represent the end of the measurement period for many of the performance fee-eligible relationships.

The results of our business segments may also be impacted by the translation of financial results denominated in foreign currencies to the U.S. dollar. We are primarily impacted by activities denominated in the British pound and the euro. On a consolidated basis and in our Securities Services and Market and Wealth Services business segments, we typically have more foreign currency-denominated expenses than revenues. However, our Investment and Wealth Management business segment typically has more foreign currency-denominated revenues than expenses. Overall, currency fluctuations impact the year-over-year growth rate in the Investment and Wealth Management business segment more than the Securities Services and Market and Wealth Services business segments. However, currency fluctuations, in isolation, are not expected to significantly impact net income on a consolidated basis.

Fee revenue in the Investment and Wealth Management business segment, and, to a lesser extent, the Securities Services and Market and Wealth Services business segments, is impacted by global market fluctuations. At March 31, 2024, we estimated that a 5% change in global equity markets, spread evenly throughout the year, would impact fee revenue by less than 1% and diluted earnings per common share by \$0.04 to \$0.07.

See Note 19 of the Notes to Consolidated Financial Statements for the consolidating schedules, which show the contribution of our business segments to our overall profitability.

## Securities Services business segment

<i>(dollars in millions, unless otherwise noted)</i>	1Q24	4Q23	3Q23	2Q23	1Q23	1Q24 vs.	
						4Q23	1Q23
<b>Revenue:</b>							
Investment services fees:							
Asset Servicing	\$ 1,013	\$ 975	\$ 976	\$ 980	\$ 941	4%	8%
Issuer Services	261	285	281	319	236	(8)	11
Total investment services fees	1,274	1,260	1,257	1,299	1,177	1	8
Foreign exchange revenue	124	118	107	124	139	5	(11)
Other fees <i>(a)</i>	59	54	52	54	55	9	7
Total fee revenue	1,457	1,432	1,416	1,477	1,371	2	6
Investment and other revenue	99	112	65	84	72	N/M	N/M
Total fee and other revenue	1,556	1,544	1,481	1,561	1,443	1	8
Net interest income	583	635	600	668	666	(8)	(12)
Total revenue	2,139	2,179	2,081	2,229	2,109	(2)	1
Provision for credit losses	11	64	19	16	—	N/M	N/M
Noninterest expense (excluding amortization of intangible assets)	1,530	1,645	1,590	1,560	1,532	(7)	—
Amortization of intangible assets	7	8	8	7	8	(13)	(13)
Total noninterest expense	1,537	1,653	1,598	1,567	1,540	(7)	—
Income before income taxes	\$ 591	\$ 462	\$ 464	\$ 646	\$ 569	28%	4%
Pre-tax operating margin	28%	21%	22%	29%	27%		
Securities lending revenue <i>(b)</i>	\$ 46	\$ 48	\$ 46	\$ 47	\$ 48	(4)%	(4)%
<b>Total revenue by line of business:</b>							
Asset Servicing	\$ 1,668	\$ 1,675	\$ 1,585	\$ 1,695	\$ 1,657	—%	1%
Issuer Services	471	504	496	534	452	(7)	4
Total revenue by line of business	\$ 2,139	\$ 2,179	\$ 2,081	\$ 2,229	\$ 2,109	(2)%	1%
<b>Selected average balances:</b>							
Average loans	\$ 11,204	\$ 11,366	\$ 11,236	\$ 11,283	\$ 10,939	(1)%	2%
Average deposits	\$174,687	\$171,086	\$162,509	\$172,863	\$167,209	2%	4%
<b>Selected metrics:</b>							
AUC/A at period end <i>(in trillions) (c)</i>	\$ 35.4	\$ 34.2	\$ 32.3	\$ 33.2	\$ 32.6	4%	9%
Market value of securities on loan at period end <i>(in billions) (d)</i>	\$ 486	\$ 450	\$ 406	\$ 415	\$ 441	8%	10%
<b>Issuer Services:</b>							
Total debt serviced at period end <i>(in trillions) (e)</i>	\$ 14.0	\$ 14.0	\$ 13.8	\$ 13.8	\$ 13.6	—%	3%
Number of sponsored Depository Receipts programs at period end	527	543	559	564	577	(3)%	(9)%

*(a) Other fees primarily include financing-related fees.*

*(b) Included in investment services fees reported in the Asset Servicing line of business.*

*(c) Consists of AUC/A primarily from the Asset Servicing line of business and, to a lesser extent, the Issuer Services line of business. Includes the AUC/A of CIBC Mellon of \$1.7 trillion at March 31, 2024 and Dec. 31, 2023, \$1.5 trillion at Sept. 30, 2023, \$1.6 trillion at June 30, 2023 and \$1.5 trillion at March 31, 2023.*

*(d) Represents the total amount of securities on loan in our agency securities lending program. Excludes securities for which BNY Mellon acts as agent on behalf of CIBC Mellon clients, which totaled \$64 billion at March 31, 2024, \$63 billion at Dec. 31, 2023 and Sept. 30, 2023, \$66 billion at June 30, 2023 and \$69 billion at March 31, 2023.*

*(e) Reported amounts have been revised from previously reported amounts.*

N/M – Not meaningful.

### Business segment description

The Securities Services business segment consists of two distinct lines of business, Asset Servicing and Issuer Services, which provide business solutions across the transaction life cycle to our global asset owner and asset manager clients. We are one of the leading global investment services providers with

\$35.4 trillion of AUC/A at March 31, 2024. For information on the drivers of the Securities Services fee revenue, see Note 10 of the Notes to Consolidated Financial Statements in our 2023 Annual Report.

The Asset Servicing business provides a comprehensive suite of solutions. We are one of the largest global custody and front-to-back outsourcing

partners. We offer services for the safekeeping of assets in capital markets globally, as well as fund accounting services, exchange-traded funds servicing, transfer agency, trust and depository, front-to-back capabilities as well as data and analytics solutions for our clients. We deliver foreign exchange, securities lending and financing solutions, on both an agency and principal basis. Our agency securities lending program is one of the largest lenders of U.S. and non-U.S. securities, servicing a lendable asset pool of approximately \$5 trillion in 34 separate markets. Our market-leading liquidity services portal enables cash investments for institutional clients and includes fund research and analytics.

Our Digital Asset Custody platform offers custody and administration services for Bitcoin and Ether for select U.S. institutional clients. Our Digital Assets Funds Services provides accounting and administration, transfer agency and ETF services to digital asset funds. We expect to continue developing our digital asset capabilities and to work closely with clients to address their evolving digital asset needs. As of and for the quarter ended March 31, 2024, our Digital Asset Custody platform and related initiative had a de minimis impact on our assets, liabilities, revenues and expenses.

The Issuer Services business includes Corporate Trust and Depository Receipts. Our Corporate Trust business delivers a full range of issuer and related investor services, including trustee, paying agency, fiduciary, escrow and other financial services. We are a leading provider to the debt capital markets, providing customized and market-driven solutions to investors, bondholders and lenders. Our Depository Receipts business drives global investing by providing servicing and value-added solutions that enable, facilitate and enhance cross-border trading, clearing, settlement and ownership. We are one of the largest providers of depository receipts services in the world, partnering with leading companies from more than 50 countries.

#### *Review of financial results*

AUC/A of \$35.4 trillion increased 9% compared with March 31, 2023, primarily reflecting higher market values.

Total revenue of \$2.1 billion increased 1% compared with the first quarter of 2023 and decreased 2% compared with the fourth quarter of 2023. The drivers of total revenue by line of business are indicated below.

Asset Servicing revenue of \$1.7 billion increased 1% compared with the first quarter of 2023 and was flat compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher market values, net new business and higher client activity, partially offset by lower net interest income and foreign exchange revenue. Compared with the fourth quarter of 2023, higher market values, client activity and foreign exchange revenue were offset by lower net interest income and a strategic equity investment gain in the fourth quarter of 2023.

Issuer Services revenue of \$471 million increased 4% compared with the first quarter of 2023 and decreased 7% compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher Depository Receipts revenue, partially offset by lower net interest income. The decrease compared with the fourth quarter of 2023 primarily reflects lower Depository Receipts revenue and net interest income.

Market and regulatory trends are driving investable assets toward lower fee asset management products at reduced margins for our clients. These dynamics are also negatively impacting our investment services fees. However, at the same time, these trends are providing additional outsourcing opportunities as clients and other market participants seek to comply with regulations and reduce their operating costs.

Noninterest expense of \$1.5 billion was flat compared with the first quarter of 2023 and decreased 7% compared with the fourth quarter of 2023. Compared with the first quarter of 2023, higher investments and employee merit increases were offset by efficiency savings. The decrease compared with fourth quarter of 2023 primarily reflects efficiency savings, lower severance expense and lower revenue-related expenses.

## Market and Wealth Services business segment

<i>(dollars in millions, unless otherwise noted)</i>	1Q24	4Q23	3Q23	2Q23	1Q23	1Q24 vs.	
						4Q23	1Q23
<b>Revenue:</b>							
Investment services fees:							
Pershing	\$ 482	\$ 472	\$ 478	\$ 466	\$ 469	2%	3%
Treasury Services	184	179	180	183	175	3	5
Clearance and Collateral Management	329	322	305	295	290	2	13
Total investment services fees	995	973	963	944	934	2	7
Foreign exchange revenue	24	21	21	21	18	14	33
Other fees <i>(a)</i>	58	50	49	52	51	16	14
Total fee revenue	1,077	1,044	1,033	1,017	1,003	3	7
Investment and other revenue	17	16	16	16	15	N/M	N/M
Total fee and other revenue	1,094	1,060	1,049	1,033	1,018	3	7
Net interest income	423	436	401	420	453	(3)	(7)
Total revenue	1,517	1,496	1,450	1,453	1,471	1	3
Provision for credit losses	5	28	6	7	—	N/M	N/M
Noninterest expense (excluding amortization of intangible assets)	833	836	790	792	781	—	7
Amortization of intangible assets	1	1	2	2	1	—	—
Total noninterest expense	834	837	792	794	782	—	7
Income before income taxes	\$ 678	\$ 631	\$ 652	\$ 652	\$ 689	7%	(2)%
Pre-tax operating margin	45%	42%	45%	45%	47%		
<b>Total revenue by line of business:</b>							
Pershing	\$ 670	\$ 669	\$ 657	\$ 641	\$ 649	—%	3%
Treasury Services	416	408	397	413	419	2	(1)
Clearance and Collateral Management	431	419	396	399	403	3	7
Total revenue by line of business	\$ 1,517	\$ 1,496	\$ 1,450	\$ 1,453	\$ 1,471	1%	3%
<b>Selected average balances:</b>							
Average loans	\$ 39,271	\$ 39,200	\$ 37,496	\$ 36,432	\$ 36,854	—%	7%
Average deposits	\$ 89,539	\$ 87,695	\$ 84,000	\$ 85,407	\$ 86,040	2%	4%
<b>Selected metrics:</b>							
AUC/A at period end <i>(in trillions) (b)</i>	\$ 13.1	\$ 13.3	\$ 13.1	\$ 13.4	\$ 13.7	(2)%	(4)%
<b>Pershing:</b>							
AUC/A at period end <i>(in trillions)</i>	\$ 2.6	\$ 2.5	\$ 2.4	\$ 2.4	\$ 2.4	4%	8%
Net new assets (U.S. platform) <i>(in billions) (c)</i>	\$ (2)	\$ (4)	\$ 23	\$ (34)	\$ 37	N/M	N/M
Daily average revenue trades (“DARTs”) (U.S. platform) <i>(in thousands)</i>	290	229	223	223	261	27%	11%
Average active clearing accounts <i>(in thousands)</i>	7,991	8,012	7,979	7,946	7,849	—%	2%
<b>Treasury Services:</b>							
Average daily U.S. dollar payment volumes	237,124	243,005	233,620	233,931	236,322	(2)%	—%
<b>Clearance and Collateral Management:</b>							
Average tri-party collateral management balances <i>(in billions)</i>	\$ 5,157	\$ 5,248	\$ 5,706	\$ 6,044	\$ 5,626	(2)%	(8)%

*(a) Other fees primarily include financing-related fees.*

*(b) Consists of AUC/A from the Clearance and Collateral Management and Pershing lines of business.*

*(c) Net new assets represents net flows of assets (e.g., net cash deposits and net securities transfers, including dividends and interest) in customer accounts in Pershing LLC, a U.S. broker-dealer.*

*N/M – Not meaningful.*

### Business segment description

The Market and Wealth Services business segment consists of three distinct lines of business, Pershing, Treasury Services and Clearance and Collateral Management, which provide business services and technology solutions to entities including financial

institutions, corporations, foundations and endowments, public funds and government agencies. For information on the drivers of the Market and Wealth Services fee revenue, see Note 10 of the Notes to Consolidated Financial Statements in our 2023 Annual Report.



Pershing provides execution, clearing, custody, business and technology solutions, delivering operational support to broker-dealers, wealth managers and registered investment advisors (“RIAs”) globally.

Our Treasury Services business is a leading provider of global payments, liquidity management and trade finance services for financial institutions, corporations and the public sector.

Our Clearance and Collateral Management business clears and settles equity and fixed income transactions globally and serves as custodian for tri-party repo collateral worldwide. We are the primary provider of U.S. government securities clearance and a provider of non-U.S. government securities clearance. Our collateral services include collateral management, administration and segregation. We offer innovative solutions and industry expertise, which help financial institutions and institutional investors with their financing, risk and balance sheet challenges. We are a leading provider of tri-party collateral management services with an average of \$5.2 trillion serviced globally, including approximately \$4.0 trillion of the U.S. tri-party repo market at March 31, 2024.

#### *Review of financial results*

AUC/A of \$13.1 trillion decreased 4% compared with March 31, 2023, primarily reflecting lower collateral management balances, partially offset by higher market values.

Total revenue of \$1.5 billion increased 3% compared with the first quarter of 2023 and 1% compared with the fourth quarter of 2023. The drivers of total revenue by line of business are indicated below.

Pershing revenue of \$670 million increased 3% compared with the first quarter of 2023 and was flat compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher market values and client activity, partially offset by lost business in the prior year. Compared with the fourth quarter of 2023, higher client activity and market values were offset by lower net interest income and lost business in the prior year.

Treasury Services revenue of \$416 million decreased 1% compared with the first quarter of 2023 and increased 2% compared with the fourth quarter of 2023. The decrease compared with the first quarter of 2023 primarily reflects lower net interest income, partially offset by net new business. The increase compared with the fourth quarter of 2023 primarily reflects higher client activity.

Clearance and Collateral Management revenue of \$431 million increased 7% compared with the first quarter of 2023 and 3% compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher collateral management fees and clearance volumes, partially offset by lower net interest income. The increase compared with the fourth quarter of 2023 primarily reflects higher collateral management fees and clearance volumes.

Noninterest expense of \$834 million increased 7% compared with the first quarter of 2023 and was flat compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher investments and revenue-related expense and employee merit increases, partially offset by efficiency savings.

## Investment and Wealth Management business segment

(dollars in millions)	1Q24	4Q23	3Q23	2Q23	1Q23	1Q24 vs.	
						4Q23	1Q23
Revenue:							
Investment management fees	\$ 768	\$ 725	\$ 748	\$ 753	\$ 755	6%	2%
Performance fees	10	19	30	10	22	N/M	N/M
Investment management and performance fees (a)	778	744	778	763	777	5	—
Distribution and servicing fees	70	66	62	58	55	6	27
Other fees (b)	(60)	(55)	(50)	(56)	(53)	N/M	N/M
Total fee revenue	788	755	790	765	779	4	1
Investment and other revenue (c)	17	(121)	1	12	6	N/M	N/M
Total fee and other revenue (c)	805	634	791	777	785	27	3
Net interest income	41	45	39	39	45	(9)	(9)
Total revenue	846	679	830	816	830	25	2
Provision for credit losses	(1)	(2)	(9)	7	—	N/M	N/M
Noninterest expense (excluding amortization of intangible assets)	736	680	670	674	732	8	1
Amortization of intangible assets	4	5	5	5	5	(20)	(20)
Total noninterest expense	740	685	675	679	737	8	—
Income (loss) before income taxes	\$ 107	\$ (4)	\$ 164	\$ 130	\$ 93	N/M	(d) 15%
Pre-tax operating margin	13%	(1)%	20%	16%	11%		
Adjusted pre-tax operating margin – Non-GAAP (e)	14%	(1)% (d)	22%	18%	13%		
<b>Total revenue by line of business:</b>							
Investment Management	\$ 576	\$ 415	\$ 565	\$ 553	\$ 564	39%	2%
Wealth Management	270	264	265	263	266	2	2
Total revenue by line of business	\$ 846	\$ 679	\$ 830	\$ 816	\$ 830	25%	2%
<b>Average balances:</b>							
Average loans	\$ 13,553	\$ 13,405	\$ 13,519	\$ 13,995	\$ 13,960	1%	(3)%
Average deposits	\$ 11,364	\$ 12,039	\$ 13,578	\$ 15,410	\$ 16,144	(6)%	(30)%

(a) On a constant currency basis, investment management and performance fees decreased 1% (Non-GAAP) compared with the first quarter of 2023. See “Supplemental information – Explanation of GAAP and Non-GAAP financial measures” beginning on page 41 for the reconciliation of this Non-GAAP measure.

(b) Other fees primarily include investment services fees.

(c) Investment and other revenue and total fee and other revenue are net of income (loss) attributable to noncontrolling interests related to consolidated investment management funds.

(d) Excluding notable items, income before taxes decreased 27% (Non-GAAP) compared with the fourth quarter of 2023. Excluding notable items and net of distribution and servicing expense, the adjusted pre-tax operating margin was 21% (Non-GAAP) in the fourth quarter of 2023. See “Supplemental information – Explanation of GAAP and Non-GAAP financial measures” beginning on page 41 for the reconciliation of these Non-GAAP measures.

(e) Net of distribution and servicing expense. See “Supplemental information – Explanation of GAAP and Non-GAAP financial measures” beginning on page 41 for the reconciliation of this Non-GAAP measure.

N/M – Not meaningful.

AUM trends (dollars in billions)	1Q24	4Q23	3Q23	2Q23	1Q23	1Q24 vs.		
						4Q23	1Q23	
<b>AUM by product type: (a)</b>								
Equity	\$ 168	\$ 145	\$ 133	\$ 145	\$ 142	16%	18%	
Fixed income	219	205	190	203	207	7	6	
Index	474	459	425	440	408	3	16	
Liability-driven investments	573	605	534	579	604	(5)	(5)	
Multi-asset and alternative investments	174	170	156	162	161	2	8	
Cash	407	390	383	377	386	4	5	
<b>Total AUM</b>	<b>\$ 2,015</b>	<b>\$ 1,974</b>	<b>\$ 1,821</b>	<b>\$ 1,906</b>	<b>\$ 1,908</b>	<b>2%</b>	<b>6%</b>	
<b>Changes in AUM: (a)</b>								
Beginning balance of AUM	\$ 1,974	\$ 1,821	\$ 1,906	\$ 1,908	\$ 1,836			
Net inflows (outflows):								
Long-term strategies:								
Equity	(4)	(2)	(3)	(3)	(4)			
Fixed income	12	3	(7)	(4)	4			
Liability-driven investments	13	4	1	(3)	10			
Multi-asset and alternative investments	(5)	(1)	(4)	(1)	(3)			
Total long-term active strategies inflows (outflows)	16	4	(13)	(11)	7			
Index	(15)	(10)	(2)	2	(2)			
Total long-term strategies inflows (outflows)	1	(6)	(15)	(9)	5			
Short-term strategies:								
Cash	16	7	7	(9)	—			
Total net inflows (outflows)	17	1	(8)	(18)	5			
Net market impact	16	122	(50)	(3)	52			
Net currency impact	(10)	30	(27)	19	15			
Other	18 (b)	—	—	—	—			
<b>Ending balance of AUM</b>	<b>\$ 2,015</b>	<b>\$ 1,974</b>	<b>\$ 1,821</b>	<b>\$ 1,906</b>	<b>\$ 1,908</b>	<b>2%</b>	<b>6%</b>	
<b>Wealth Management client assets (c)</b>	<b>\$ 309 (d)</b>	<b>\$ 312</b>	<b>\$ 292</b>	<b>\$ 286</b>	<b>\$ 279</b>	<b>(1)%</b>	<b>11%</b>	

(a) Excludes assets managed outside of the Investment and Wealth Management business segment.

(b) Includes AUM and AUC/A in the Wealth Management line of business.

(c) Reflects the realignment of similar products and services within our lines of business.

(d) The realignment of similar products and services within our lines of business reduced client assets attributed to the Wealth Management business.

### Business segment description

Our Investment and Wealth Management business segment consists of two distinct lines of business: Investment Management and Wealth Management. Our investment firms deliver a highly diversified portfolio of investment strategies independently, and through our global distribution network, to institutional and retail clients globally. BNY Mellon Wealth Management provides investment management, custody, wealth and estate planning, private banking services, investment servicing and information management. See pages 18 and 19 of our 2023 Annual Report for additional information on our Investment and Wealth Management business segment.

### Review of financial results

AUM of \$2.0 trillion as of March 31, 2024, increased 6% compared with March 31, 2023, primarily reflecting higher market values.

Net long-term strategy inflows were \$1 billion in the first quarter of 2024, driven by liability-driven and fixed income investments, partially offset by the outflows of index, multi-asset and alternative and equity investments. Short-term strategy inflows were \$16 billion in the first quarter of 2024. Market and regulatory trends have resulted in increased demand for lower fee asset management products and for performance-based fees.

Total revenue of \$846 million increased 2% compared with the first quarter of 2023 and 25% compared with the fourth quarter of 2023. The

drivers of total revenue by line of business are indicated below.

Investment Management revenue of \$576 million increased 2% compared with the first quarter of 2023 and 39% compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects higher market values, partially offset by the mix of AUM flows and lower performance fees. The increase compared with the fourth quarter of 2023 primarily reflects the reduction in the fair value of a contingent consideration receivable recorded in the fourth quarter of 2023 and higher market values, partially offset by the timing of performance fees.

Wealth Management revenue of \$270 million increased 2% compared with the first quarter of 2023 and 2% compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023

primarily reflects higher market values, partially offset by changes in product mix and lower net interest income. The increase compared with the fourth quarter of 2023 primarily reflects higher market values, partially offset by lower net interest income.

Revenue generated in the Investment and Wealth Management business segment included 30% from non-U.S. sources in the first quarter of 2024, compared with 31% in the first quarter of 2023 and 36% in the fourth quarter of 2023.

Noninterest expense of \$740 million was flat compared with the first quarter of 2023 reflecting higher investments and employee merit increases, offset by efficiency savings. Noninterest expense increased 8% compared with the fourth quarter of 2023 primarily reflecting higher revenue-related expenses.

### Other segment

<i>(in millions)</i>	1Q24	4Q23	3Q23	2Q23	1Q23
Fee revenue	\$ (17)	\$ (17)	\$ 6	\$ (2)	\$ 3
Investment and other revenue <i>(a)</i>	47	38	74	34	38
Total fee and other revenue <i>(a)</i>	30	21	80	32	41
Net interest (expense)	(7)	(15)	(24)	(27)	(36)
Total revenue <i>(a)</i>	23	6	56	5	5
Provision for credit losses	12	(6)	(13)	(25)	27
Noninterest expense	65	820	24	71	41
(Loss) income before income taxes <i>(a)</i>	\$ (54)	\$ (808)	\$ 45	\$ (41)	\$ (63)
Average loans and leases	\$ 1,816	\$ 1,706	\$ 1,711	\$ 1,749	\$ 1,508

*(a) Prior periods were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.*

See page 20 of our 2023 Annual Report for additional information on the Other segment.

### Review of financial results

Total revenue includes corporate treasury and other investment activity, including hedging activity, which has an offsetting impact between fee and other revenue and net interest expense.

Total revenue increased \$18 million compared with the first quarter of 2023 and \$17 million compared with the fourth quarter of 2023. The increase compared with the first quarter of 2023 primarily reflects a strategic equity investment loss recorded in

the first quarter of 2023. The increase compared with the fourth quarter of 2023 primarily reflects net securities losses recorded in the fourth quarter of 2023, partially offset by strategic equity investment gains also recorded in the fourth quarter of 2023.

The provision for credit losses was \$12 million in the first quarter of 2024, primarily reflecting increased reserves related to cash balances with exposure to Russia.

Noninterest expense increased \$24 million compared with the first quarter of 2023 and decreased \$75 million compared with the fourth quarter of 2023. The decrease compared with the fourth quarter of

2023 primarily reflects the FDIC special assessment recorded in the fourth quarter of 2023 and lower severance expense and litigation reserves.

### Critical accounting estimates

Our significant accounting policies are described in Note 1 of the Notes to Consolidated Financial Statements in our 2023 Annual Report. Our critical accounting estimates are those related to the allowance for credit losses, goodwill and other intangibles and litigation and regulatory contingencies, as referenced below.

Critical accounting estimates	Reference
Allowance for credit losses	2023 Annual Report, pages 23-24, and "Allowance for credit losses."
Goodwill and other intangibles	2023 Annual Report, pages 24-25. Also see below.
Litigation and regulatory contingencies	"Legal proceedings" in Note 18 of the Notes to Consolidated Financial Statements.

#### *Goodwill and other intangibles*

BNY Mellon's business segments include seven reporting units for which goodwill impairment testing is performed on an annual basis. An interim goodwill impairment test is performed when events or circumstances occur that may indicate that it is more likely than not that the fair value of any reporting unit may be less than its carrying value.

In the first quarter of 2024, due to the results of the fourth quarter 2023 interim goodwill impairment test and macroeconomic conditions, we performed an interim goodwill impairment test of the Investment Management reporting unit, which had \$6.1 billion of allocated goodwill. The fair value of the Investment Management reporting unit exceeded its carrying value by approximately 10%. We determined the fair value of the Investment Management reporting unit using an income approach based on management's projections as of March 31, 2024. The discount rate applied to these cash flows was 10.5%.

As of March 31, 2024, if the discount rate applied to the estimated cash flows was increased or decreased by 25 basis points, the fair value of the Investment Management reporting unit would decrease or increase by 4%, respectively. Similarly, if the long-

term growth rate was increased or decreased by 10 basis points, the fair value of the Investment Management reporting unit would increase or decrease by approximately 1%, respectively.

Determining the fair value of a reporting unit is subject to uncertainty as it is reliant on estimates of cash flows that extend far into the future, and, by their nature, are difficult to estimate over such an extended time frame. In the future, changes in the assumptions or the discount rate could produce a material non-cash goodwill impairment.

### Consolidated balance sheet review

One of our key risk management objectives is to maintain a balance sheet that remains strong throughout market cycles to meet the expectations of our major stakeholders, including our shareholders, clients, creditors and regulators.

We also seek to undertake overall liquidity risk, including intraday liquidity risk, that stays within our risk appetite. The objective of our balance sheet management strategy is to maintain a balance sheet that is characterized by strong liquidity and asset quality, ready access to external funding sources at competitive rates and a strong capital structure that supports our risk-taking activities and is adequate to absorb potential losses. In managing the balance sheet, appropriate consideration is given to balancing the competing needs of maintaining sufficient levels of liquidity and complying with applicable regulations and supervisory expectations while optimizing profitability.

At March 31, 2024, total assets were \$435 billion, compared with \$410 billion at Dec. 31, 2023. The increase in total assets was primarily driven by higher securities and interest-bearing deposits with the Federal Reserve and other central banks, partially offset by lower other assets and interest-bearing deposits with banks. Deposits totaled \$309 billion at March 31, 2024, compared with \$284 billion at Dec. 31, 2023. The increase reflects higher interest-bearing deposits in U.S. offices and noninterest-bearing deposits (principally in U.S. offices). Total interest-bearing deposits as a percentage of total interest-earning assets were 66% at March 31, 2024 and 66% at Dec. 31, 2023.

At March 31, 2024, available funds totaled \$165 billion and included cash and due from banks,

interest-bearing deposits with the Federal Reserve and other central banks, interest-bearing deposits with banks and federal funds sold and securities purchased under resale agreements. This compares with available funds of \$158 billion at Dec. 31, 2023.

Total available funds as a percentage of total assets was 38% at March 31, 2024 and 38% at Dec. 31, 2023. For additional information on our available funds, see “Liquidity and dividends.”

Securities were \$139 billion, or 32% of total assets, at March 31, 2024, compared with \$126 billion, or 31% of total assets, at Dec. 31, 2023. The increase primarily reflects higher non-U.S. government, U.S. Treasury and agency RMBS securities, partially offset by unrealized pre-tax losses and lower U.S. government agencies securities. For additional information on our securities portfolio, see “Securities” and Note 4 of the Notes to Consolidated Financial Statements.

Loans were \$74 billion, or 17% of total assets, at March 31, 2024, compared with \$67 billion, or 16% of total assets, at Dec. 31, 2023. The increase was driven by higher overdrafts and loans in the financial institutions portfolio. For additional information on our loan portfolio, see “Loans” and Note 5 of the Notes to Consolidated Financial Statements.

Long-term debt totaled \$32 billion at March 31, 2024 and \$31 billion at Dec. 31, 2023. Issuances were

partially offset by maturities and redemptions and a decrease in the fair value of hedged long-term debt. For additional information on long-term debt, see “Liquidity and dividends.”

The Bank of New York Mellon Corporation total shareholders’ equity totaled \$41 billion at March 31, 2024 and Dec. 31, 2023. For additional information, see “Capital.”

### Country risk exposure

The following table presents BNY Mellon’s top 10 exposures by country (excluding the U.S.) as of March 31, 2024, as well as certain countries with higher risk profiles. The exposure is presented on an internal risk management basis and has not been reduced by the allowance for credit losses. We monitor our exposure to these and other countries as part of our internal country risk management process.

The country risk exposure below reflects the Company’s risk to an immediate default of the counterparty or obligor based on the country of residence of the entity which incurs the liability. If there is credit risk mitigation, the country of residence of the entity providing the risk mitigation is the country of risk. The country of risk for securities is generally based on the domicile of the issuer of the security.

Country risk exposure at March 31, 2024 <i>(in billions)</i>	Interest-bearing deposits		Lending (a)	Securities (b)	Other (c)	Total exposure
	Central banks	Banks				
<b>Top 10 country exposure:</b>						
Germany	\$ 16.1	\$ 0.6	\$ 0.8	\$ 3.9	\$ 0.3	\$ 21.7
United Kingdom (“UK”)	9.2	0.3	1.4	4.0	2.5	17.4
Belgium	8.1	1.3	0.1	1.3	—	10.8
Japan	7.5	0.4	0.1	0.5	0.2	8.7
Canada	—	1.8	0.2	4.1	1.5	7.6
Netherlands	3.3	—	0.3	1.4	0.1	5.1
Luxembourg	0.1	0.1	1.4	0.1	2.1	3.8
South Korea	—	—	2.4	0.2	0.4	3.0
Australia	—	1.5	0.3	0.7	0.5	3.0
France	—	—	0.2	2.2	0.2	2.6
<b>Total Top 10 country exposure</b>	<b>\$ 44.3</b>	<b>\$ 6.0</b>	<b>\$ 7.2</b>	<b>\$ 18.4</b>	<b>\$ 7.8</b>	<b>\$ 83.7</b> (d)
<b>Select country exposure:</b>						
Brazil	\$ —	\$ —	\$ 0.7	\$ 0.2	\$ 0.2	\$ 1.1
Russia	—	0.4 (e)	—	—	—	0.4

(a) Lending includes loans, acceptances, issued letters of credit, net of participations, and lending-related commitments.

(b) Securities include both the available-for-sale and held-to-maturity portfolios.

(c) Other exposures include over-the-counter (“OTC”) derivative and securities financing transactions, net of collateral.

(d) The top 10 country exposures comprise approximately 70% of our total non-U.S. exposure.

(e) Represents cash balances with exposure to Russia.

Events in recent years have resulted in increased focus on Brazil. The country risk exposure to Brazil is primarily short-term trade finance loans extended to large financial institutions. We also have operations in Brazil providing investment services and investment management services.

The war in Ukraine has increased our focus on Russia. The country risk exposure to Russia consists of cash balances related to our securities services businesses and may increase in the future to the extent cash is received for the benefit of our clients that is subject to distribution restrictions. BNY Mellon has ceased new banking business in Russia

and suspended investment management purchases of Russian securities. At March 31, 2024, less than 0.1% of our AUC/A and less than 0.01% of our AUM consisted of Russian securities. We will continue to work with multinational clients that depend on our custody and recordkeeping services to manage their exposures.

We are monitoring our exposure to Israel as part of our internal country risk management process. At March 31, 2024, our total exposure to Israel was \$155 million and primarily consisted of investment grade short-term interest-bearing deposits and OTC derivatives maturing within six months.

## Securities

In the discussion of our securities portfolio, we have included certain credit ratings information because the information can indicate the degree of credit risk to which we are exposed. Significant changes in ratings classifications could indicate increased credit risk for us and could be accompanied by an increase in the allowance for credit losses and/or a reduction in the fair value of our securities portfolio.

The following table shows the distribution of our total securities portfolio.

Securities portfolio <i>(dollars in millions)</i>	Dec. 31, 2023	1Q24 change in unrealized gain (loss)	March 31, 2024		Fair value as a % of amortized cost (a)	Unrealized gain (loss)	% Floating rate (b)	Ratings (c)				
	Fair value		Amortized cost (a)	Fair value				AAA/ AA-	A+/ A-	BBB+/ BBB-	BB+ and lower	Not rated
Agency RMBS	\$ 39,333	\$ (299)	\$ 45,805	\$ 41,642	91%	\$ (4,163)	23%	100%	—%	—%	—%	—%
U.S. Treasury	26,476	13	30,723	29,896	97	(827)	59	100	—	—	—	—
Non-U.S. government (d)	20,543	9	27,081	26,498	98	(583)	37	93	3	3	1	—
Agency commercial mortgage-backed securities ("MBS")	11,010	11	11,664	11,083	95	(581)	43	100	—	—	—	—
Foreign covered bonds (e)	6,317	11	7,420	7,259	98	(161)	51	100	—	—	—	—
CLOs	7,119	16	7,238	7,248	100	10	100	100	—	—	—	—
U.S. government agencies	6,780	(5)	7,031	6,607	94	(424)	40	100	—	—	—	—
Non-agency commercial MBS	2,997	38	3,219	3,009	93	(210)	53	100	—	—	—	—
Non-agency RMBS	1,766	(6)	1,876	1,727	92	(149)	45	86	2	—	6	6
Other asset-backed securities ("ABS")	943	6	976	899	92	(77)	18	100	—	—	—	—
Other	11	1	12	11	90	(1)	—	—	—	—	—	100
<b>Total securities</b>	<b>\$ 123,295 (f)</b>	<b>\$ (205)</b>	<b>\$ 143,045</b>	<b>\$ 135,879 (f)</b>	<b>95%</b>	<b>\$ (7,166) (f)(g)</b>	<b>42%</b>	<b>98%</b>	<b>1%</b>	<b>1%</b>	<b>—%</b>	<b>—%</b>

(a) Amortized cost reflects historical impairments and is net of the allowance for credit losses.

(b) Includes the impact of hedges.

(c) Represents ratings by Standard & Poor's ("S&P") or the equivalent.

(d) Includes supranational securities. Primarily consists of exposure to Germany, UK, France, Canada, Belgium and the Netherlands.

(e) Primarily consists of exposure to Canada, UK, Australia, Germany, Belgium and Singapore.

(f) Includes net unrealized gains on derivatives hedging securities available-for-sale (including terminated hedges) of \$1,767 million at Dec. 31, 2023 and \$2,161 million at March 31, 2024.

(g) At March 31, 2024, includes pre-tax net unrealized losses of \$1,975 million related to available-for-sale securities, net of hedges, and \$5,191 million related to held-to-maturity securities. The after-tax unrealized losses, net of hedges, related to available-for-sale securities is \$1,490 million and the after-tax equivalent related to held-to-maturity securities is \$3,958 million.

The fair value of our securities portfolio, including related hedges, was \$135.9 billion at March 31, 2024, compared with \$123.3 billion at Dec. 31, 2023. The increase primarily reflects higher non-U.S. government, U.S. Treasury and agency RMBS

securities, partially offset by unrealized pre-tax losses and lower U.S. government agencies securities.

At March 31, 2024, the securities portfolio had a net unrealized loss, including the impact of related

hedges, of \$7.2 billion, compared with \$7.0 billion at Dec. 31, 2023. The increase in the unrealized loss, including the impact of related hedges, primarily reflects the impact of higher interest rates, partially offset by securities moving closer to maturity.

The fair value of the available-for-sale securities totaled \$92.7 billion at March 31, 2024, net of hedges, or 68% of the securities portfolio, net of hedges. The fair value of the held-to-maturity securities totaled \$43.2 billion at March 31, 2024, or 32% of the securities portfolio, net of hedges.

The unrealized loss (after-tax) on our available-for-sale securities portfolio, net of hedges, included in accumulated other comprehensive income was \$1.5 billion at March 31, 2024, compared with \$1.6 billion at Dec. 31, 2023. Net unrealized loss, including the impact of hedges, decreased as securities moved closer to maturity, partially offset by the impact of higher interest rates.

At March 31, 2024, 98% of the securities in our portfolio were rated AAA/AA-, compared with 99% at Dec. 31, 2023.

See Note 4 of the Notes to Consolidated Financial Statements for the pre-tax net securities gains (losses) by security type. See Note 15 of the Notes to Consolidated Financial Statements for securities by level in the fair value hierarchy.

The following table presents the amortizable purchase premium (net of discount) and net amortization related to the securities portfolio.

<b>Amortizable purchase premium (net of discount) and net amortization of securities (a)</b>			
<i>(in millions)</i>	1Q24	4Q23	1Q23
Amortizable purchase premium, net of discount	\$ 419	\$ 821	\$ 1,096
Net amortization	\$ 19	\$ 38	\$ 42

(a) *Amortization of purchase premium decreases net interest income while accretion of discount increases net interest income. Both were recorded on a level yield basis.*

## Loans

<b>Total exposure – consolidated</b>	<b>March 31, 2024</b>			<b>Dec. 31, 2023</b>		
	<i>(in billions)</i>	Loans	Unfunded commitments	Total exposure	Loans	Unfunded commitments
Financial institutions	\$ 12.1	\$ 32.3	\$ 44.4	\$ 10.5	\$ 29.2	\$ 39.7
Commercial	2.4	11.9	14.3	2.1	11.4	13.5
Wealth management loans	9.0	0.7	9.7	9.1	0.5	9.6
Wealth management mortgages	9.1	0.2	9.3	9.1	0.3	9.4
Commercial real estate	7.0	3.2	10.2	6.8	3.4	10.2
Lease financings	0.6	—	0.6	0.6	—	0.6
Other residential mortgages	1.1	—	1.1	1.2	—	1.2
Overdrafts	7.9	—	7.9	3.1	—	3.1
Capital call financing	4.0	3.3	7.3	3.7	3.6	7.3
Other	2.8	—	2.8	2.7	—	2.7
Margin loans	17.6	—	17.6	18.0	—	18.0
Total	\$ 73.6	\$ 51.6	\$ 125.2	\$ 66.9	\$ 48.4	\$ 115.3

At March 31, 2024, our total lending-related exposure of \$125.2 billion increased 9% compared with Dec. 31, 2023, primarily reflecting higher overdrafts and exposure in the financial institutions portfolio.

Our financial institutions and commercial portfolios comprise our largest concentrated risk. These portfolios comprised 47% of our total exposure at March 31, 2024 and 46% at Dec. 31, 2023. Additionally, most of our overdrafts relate to financial institutions.



## Financial institutions

The financial institutions portfolio is shown below.

Financial institutions portfolio exposure (dollars in billions)	March 31, 2024						Dec. 31, 2023		
	Loans	Unfunded commitments	Total exposure	% Inv. grade	% due <1 yr.	Loans	Unfunded commitments	Total exposure	
Securities industry	\$ 2.6	\$ 17.9	\$ 20.5	99%	98%	\$ 2.3	\$ 14.8	\$ 17.1	
Asset managers	1.4	8.1	9.5	96	81	1.4	8.0	9.4	
Banks	7.5	1.4	8.9	90	94	6.4	1.4	7.8	
Insurance	0.1	3.8	3.9	100	12	0.1	3.9	4.0	
Government	—	0.3	0.3	100	69	—	0.2	0.2	
Other	0.5	0.8	1.3	97	42	0.3	0.9	1.2	
Total	\$ 12.1	\$ 32.3	\$ 44.4	97%	84%	\$ 10.5	\$ 29.2	\$ 39.7	

The financial institutions portfolio exposure was \$44.4 billion at March 31, 2024, an increase of 12% compared with Dec. 31, 2023, primarily reflecting higher exposure in the securities industry and banks portfolios.

Financial institution exposures are high quality, with 97% of the exposures meeting the investment grade equivalent criteria of our internal credit rating classification at March 31, 2024. Each customer is assigned an internal credit rating, which is mapped to an equivalent external rating agency grade based upon a number of dimensions, which are continually evaluated and may change over time. For ratings of non-U.S. counterparties, our internal credit rating is generally capped at a rating equivalent to the sovereign rating of the country where the counterparty resides, regardless of the internal credit rating assigned to the counterparty or the underlying collateral.

The exposure to financial institutions is generally short term, with 84% of the exposures expiring within one year. At March 31, 2024, 20% of the exposure to financial institutions had an expiration within 90 days, compared with 19% at Dec. 31, 2023.

In addition, 66% of the financial institutions exposure is secured. For example, securities industry clients

and asset managers often borrow against marketable securities held in custody.

At March 31, 2024, the secured intraday credit provided to dealers in connection with their tri-party repo activity totaled \$13.5 billion and was included in the securities industry portfolio. Dealers secure the outstanding intraday credit with high-quality liquid collateral having a market value in excess of the amount of the outstanding credit. Secured intraday credit facilities represent approximately 30% of the exposure in the financial institutions portfolio and are reviewed and reapproved annually.

The asset managers portfolio exposure is high quality, with 96% of the exposures meeting our investment grade equivalent ratings criteria as of March 31, 2024. These exposures are generally short-term liquidity facilities, with the majority to regulated mutual funds.

Our banks portfolio exposure primarily relates to global trade finance. These exposures are short term in nature, with 94% due in less than one year. The investment grade percentage of our banks portfolio exposure was 90% at March 31, 2024, compared with 84% at Dec. 31, 2023. Our non-investment grade exposures are primarily trade finance loans in Brazil.

## Commercial

The commercial portfolio is presented below.

Commercial portfolio exposure <i>(dollars in billions)</i>	March 31, 2024					Dec. 31, 2023		
	Loans	Unfunded commitments	Total exposure	% Inv. grade	% due <1 yr.	Loans	Unfunded commitments	Total exposure
Services and other	\$ 1.4	\$ 3.5	\$ 4.9	98%	37%	\$ 1.2	\$ 3.4	\$ 4.6
Manufacturing	0.8	3.7	4.5	100	25	0.5	3.6	4.1
Energy and utilities	0.2	4.0	4.2	92	7	0.4	3.7	4.1
Media and telecom	—	0.7	0.7	88	3	—	0.7	0.7
Total	\$ 2.4	\$ 11.9	\$ 14.3	96%	23%	\$ 2.1	\$ 11.4	\$ 13.5

The commercial portfolio exposure was \$14.3 billion at March 31, 2024, an increase of 6% from Dec. 31, 2023, primarily reflecting higher exposure in the manufacturing and services and other portfolios.

Our credit strategy is to focus on investment grade clients that are active users of our non-credit services. The following table summarizes the percentage of the financial institutions and commercial portfolio exposures that are investment grade.

	Percentage of the portfolios that are investment grade				
	Quarter ended				
	March 31, 2024	Dec. 31, 2023	Sept. 30, 2023	June 30, 2023	March 31, 2023
Financial institutions	97%	92%	94%	94%	95%
Commercial	96%	94%	95%	95%	95%

### Wealth management loans

Our wealth management loan exposure was \$9.7 billion at March 31, 2024, compared with \$9.6 billion at Dec. 31, 2023. Wealth management loans

primarily consist of loans to high-net-worth individuals, a majority of which are secured by the customers' investment management accounts or custody accounts.

### Wealth management mortgages

Our wealth management mortgage exposure was \$9.3 billion at March 31, 2024, compared with \$9.4 billion at Dec. 31, 2023. Wealth management mortgages primarily consist of loans to high-net-worth individuals, which are secured by residential property. Wealth management mortgages are primarily interest-only, adjustable-rate mortgages with a weighted-average loan-to-value ratio of 61% at origination. At March 31, 2024, less than 1% of the mortgages were past due.

At March 31, 2024, the wealth management mortgage portfolio consisted of the following geographic concentrations: California – 21%; New York – 14%; Florida – 11%; Massachusetts – 8%; and other – 46%.

## Commercial real estate

The composition of the commercial real estate portfolio by asset class, including percentage secured, is presented below.

Composition of commercial real estate portfolio by asset class <i>(in billions)</i>	March 31, 2024		Dec. 31, 2023	
	Total exposure	Percentage secured <i>(a)</i>	Total exposure	Percentage secured <i>(a)</i>
Residential	\$ 4.3	87%	\$ 4.3	88%
Office	2.6	74	2.6	74
Retail	0.8	62	0.8	63
Mixed use	0.7	32	0.8	31
Hotels	0.6	40	0.6	40
Healthcare	0.5	58	0.5	57
Other	0.7	60	0.6	71
Total commercial real estate	\$ 10.2	72%	\$ 10.2	73%

*(a) Represents the percentage of exposure secured by real estate in each asset class.*

Our commercial real estate exposure totaled \$10.2 billion at March 31, 2024 and Dec. 31, 2023. Our income-producing commercial real estate facilities are focused on experienced owners and are structured with moderate leverage based on existing cash flows. Our commercial real estate lending activities also include construction and renovation facilities. Our client base consists of experienced developers and long-term holders of real estate assets. Loans are approved on the basis of existing or projected cash flows and supported by appraisals and knowledge of local market conditions. Development loans are structured with moderate leverage and, in many instances, involve some level of recourse to the developer.

At March 31, 2024, the unsecured portfolio consisted of real estate investment trusts (“REITs”) and real estate operating companies, which are both primarily investment grade.

At March 31, 2024, our commercial real estate portfolio consisted of the following concentrations: New York metro – 35%; REITs and real estate operating companies – 28%; and other – 37%.

### Lease financings

The lease financings portfolio exposure totaled \$599 million at March 31, 2024 and \$599 million at Dec. 31, 2023. At March 31, 2024, nearly all of leasing exposure was investment grade, or investment grade equivalent, and consisted of exposures backed by well-diversified assets, primarily real estate and large-ticket transportation equipment. Assets are both domestic and foreign-based, with primary concentrations in Germany and the U.S.

### Other residential mortgages

The other residential mortgages portfolio primarily consists of 1-4 family residential mortgage loans and totaled \$1.1 billion at March 31, 2024 and \$1.2 billion at Dec. 31, 2023.

### Overdrafts

Overdrafts primarily relate to custody and securities clearance clients and are generally repaid within two business days.

### Capital call financing

Capital call financing includes loans to private equity funds that are secured by the fund investors’ capital commitments and the funds’ rights to call capital.

### Other loans

Other loans primarily include loans to consumers that are fully collateralized with equities, mutual funds and fixed-income securities.

### Margin loans

Margin loan exposure of \$17.6 billion at March 31, 2024 and \$18.0 billion at Dec. 31, 2023 was collateralized with marketable securities. Borrowers are required to maintain a daily collateral margin in excess of 100% of the value of the loan. Margin loans included \$8 billion at March 31, 2024 and \$7 billion at Dec. 31, 2023 related to a term loan program that offers fully collateralized loans to broker-dealers.

## Allowance for credit losses

Our credit strategy is to focus on investment grade clients who are active users of our non-credit services. Our primary exposure to the credit risk of a customer consists of funded loans, unfunded contractual commitments to lend, standby letters of credit and overdrafts associated with our custody and securities clearance businesses.

The following table details changes in our allowance for credit losses.

<b>Allowance for credit losses activity</b> <i>(dollars in millions)</i>	<b>March 31, 2024</b>	Dec. 31, 2023	March 31, 2023
Beginning balance of allowance for credit losses	\$ 414	\$ 325	\$ 292
Provision for credit losses	27	84	27
Net (charge-offs) recoveries:			
Loans:			
Commercial	—	—	1
Wealth management mortgages	(1)	—	—
Other	—	5	—
Other financial instruments	—	—	—
Net (charge-offs) recoveries	(1)	5	1
Ending balance of allowance for credit losses	\$ 440	\$ 414	\$ 320
Allowance for loan losses	\$ 322	\$ 303	\$ 170
Allowance for lending-related commitments	81	87	83
Allowance for other financial instruments <i>(a)</i>	37	24	67
Total allowance for credit losses	\$ 440	\$ 414	\$ 320
Total loans, at period end	\$73,615	\$ 66,879	\$ 62,323
Allowance for loan losses as a percentage of total loans	0.44%	0.45%	0.27%
Allowance for loan losses and lending-related commitments as a percentage of total loans	0.55%	0.58%	0.41%

*(a) Includes allowance for credit losses on federal funds sold and securities purchased under resale agreements, available-for-sale securities, held-to-maturity securities, accounts receivable, cash and due from banks and interest-bearing deposits with banks.*

The provision for credit losses was \$27 million in the first quarter of 2024, primarily driven by reserve increases related to commercial real estate exposure.

The allowance for loan losses and the allowance for lending-related commitments represent

management's estimate of lifetime expected losses in our credit portfolio. This evaluation process is subject to numerous estimates and judgments. To the extent actual results differ from forecasts or management's judgment, the allowance for credit losses may be greater or less than future charge-offs.

Based on an evaluation of the allowance for credit losses as discussed in “Critical accounting estimates” in our 2023 Annual Report, we have allocated our allowance for loans and lending-related commitments as presented below.

Allocation of allowance for loan losses and lending-related commitments (a) (dollars in millions)	March 31, 2024		Dec. 31, 2023		March 31, 2023	
	\$	%	\$	%	\$	%
Commercial real estate	\$ 347	86%	\$ 325	83%	\$ 177	70%
Commercial	24	6	27	7	21	8
Financial institutions	17	4	19	4	24	9
Wealth management mortgages	7	1	9	2	14	5
Capital call financing	4	1	4	1	6	2
Other residential mortgages	3	1	4	1	9	4
Wealth management loans	1	1	1	1	1	1
Lease financings	—	—	1	1	1	1
<b>Total</b>	<b>\$ 403</b>	<b>100%</b>	<b>\$ 390</b>	<b>100%</b>	<b>\$ 253</b>	<b>100%</b>

(a) The allowance allocated to margin loans, overdrafts and other loans was insignificant at March 31, 2024, Dec. 31, 2023 and March 31, 2023.

The allocation of the allowance for credit losses is inherently judgmental, and the entire allowance for credit losses is available to absorb credit losses regardless of the nature of the losses.

Our allowance for credit losses is sensitive to a number of inputs, most notably the macroeconomic forecast assumptions that are incorporated into our estimate of credit losses through the expected life of the loan portfolio, as well as the credit ratings assigned to each borrower. As the macroeconomic environment and related forecasts change, the allowance for credit losses may change materially. The following sensitivity analyses do not represent management’s expectations of the deterioration of our portfolios or the economic environment, but are provided as hypothetical scenarios to assess the sensitivity of the allowance for credit losses to changes in key inputs. If commercial real estate property values were increased 10% and all other credits were rated one grade better, the quantitative allowance would have decreased by \$44 million, and if commercial real estate property values were decreased 10% and all other credits were rated one grade worse, the quantitative allowance would have increased by \$83 million. Our multi-scenario-based macroeconomic forecast used in determining the March 31, 2024 allowance for credit losses consisted of three scenarios. The baseline scenario reflects stable GDP growth, slightly increasing unemployment and declining commercial real estate prices through the end of 2024. The upside scenario reflects faster GDP growth, declining unemployment through the third quarter of 2024 before moderating and stable commercial real estate prices through the fourth quarter of 2024 compared with the baseline.

The downside scenario contemplates negative GDP growth and rapidly increasing unemployment through 2024 and sharply lower commercial real estate prices than the baseline. At March 31, 2024, we placed the most weight on our baseline scenario, with the remaining weighting placed on the upside and downside scenarios. From a sensitivity perspective, at March 31, 2024, if we had applied 100% weighting to the downside scenario, the allowance for credit losses would have been approximately \$104 million higher.

### Nonperforming assets

The table below presents our nonperforming assets.

Nonperforming assets (dollars in millions)	March 31, 2024	Dec. 31, 2023
Nonperforming loans:		
Commercial real estate	\$ 230	\$ 189
Other residential mortgages	23	24
Wealth management mortgages	23	19
Total nonperforming loans	276	232
Other assets owned	2	5
Total nonperforming assets	\$ 278	\$ 237
Nonperforming assets ratio	0.38%	0.35%
Allowance for loan losses/ nonperforming loans	116.7	130.6
Allowance for loan losses/ nonperforming assets	115.8	127.8
Allowance for loan losses and lending- related commitments/nonperforming loans	146.0	168.1
Allowance for loan losses and lending- related commitments/nonperforming assets	145.0	164.6

Nonperforming assets were \$278 million at March 31, 2024, an increase of \$41 million, compared with \$237 million at Dec. 31, 2023. The increase primarily reflects higher nonperforming commercial real estate loans.

### *Deposits*

Total deposits were \$309.0 billion at March 31, 2024, an increase of 9%, compared with \$283.7 billion at Dec. 31, 2023. The increase primarily reflects higher interest-bearing deposits in U.S. offices and noninterest-bearing deposits (principally U.S. offices).

Noninterest-bearing deposits were \$63.4 billion at March 31, 2024, compared with \$58.3 billion at Dec. 31, 2023. Interest-bearing deposits were primarily demand deposits and totaled \$245.6 billion at March 31, 2024, compared with \$225.4 billion at Dec. 31, 2023.

### *Short-term borrowings*

We fund ourselves primarily through deposits and, to a lesser extent, other short-term borrowings and long-term debt. Short-term borrowings consist of federal funds purchased and securities sold under repurchase agreements, payables to customers and broker-dealers, commercial paper and other borrowed funds. Certain short-term borrowings, for example, securities sold under repurchase agreements, require the delivery of securities as collateral.

Federal funds purchased and securities sold under repurchase agreements include repurchase agreement activity with the Fixed Income Clearing Corporation ("FICC"), where we record interest expense on a gross basis, but the ending and average balances reflect the impact of offsetting under enforceable netting agreements. This activity primarily relates to government securities collateralized resale and repurchase agreements executed with clients that are novated to and settle with the FICC.

Payables to customers and broker-dealers represent funds awaiting reinvestment and short sale proceeds payable on demand. Payables to customers and broker-dealers are driven by customer trading activity and market volatility.

The Bank of New York Mellon may issue commercial paper that matures within 397 days from

the date of issue and is not redeemable prior to maturity or subject to voluntary prepayment.

Other borrowed funds primarily include borrowings from the Federal Home Loan Bank, overdrafts of sub-custodian account balances in our Securities Services businesses, finance lease liabilities and borrowings under lines of credit by our Pershing subsidiaries. Overdrafts typically relate to timing differences for settlements.

### **Liquidity and dividends**

BNY Mellon defines liquidity as the ability of the Parent and its subsidiaries to access funding or convert assets to cash quickly and efficiently, or to roll over or issue new debt, especially during periods of market stress, at a reasonable cost, and in order to meet its short-term (up to one year) obligations. Funding liquidity risk is the risk that BNY Mellon cannot meet its cash and collateral obligations at a reasonable cost for both expected and unexpected cash flow and collateral needs without adversely affecting daily operations or our financial condition. Funding liquidity risk can arise from funding mismatches, market constraints from the inability to convert assets into cash, the inability to hold or raise cash, low overnight deposits, deposit run-off or contingent liquidity events.

Changes in economic conditions or exposure to credit, market, operational, legal and reputational risks also can affect BNY Mellon's liquidity risk profile and are considered in our liquidity risk framework. For additional information, see "Risk Management – Liquidity Risk" in our 2023 Annual Report.

The Parent's policy is to have access to sufficient unencumbered cash and cash equivalents at each quarter-end to cover maturities and other forecasted debt redemptions, net interest payments and net tax payments for the following 18-month period, and to provide sufficient collateral to satisfy transactions subject to Section 23A of the Federal Reserve Act.

We monitor and control liquidity exposures and funding needs within and across significant legal entities, branches, currencies and business lines, taking into account, among other factors, any applicable restrictions on the transfer of liquidity among entities.

BNY Mellon also manages potential intraday liquidity risks. We monitor and manage intraday liquidity against existing and expected intraday liquid resources (such as cash balances, remaining intraday credit capacity, intraday contingency funding and available collateral) to enable BNY Mellon to meet its intraday obligations under normal and reasonably severe stressed conditions.

We define available funds for internal liquidity management purposes as cash and due from banks, interest-bearing deposits with the Federal Reserve and other central banks, interest-bearing deposits with banks and federal funds sold and securities purchased under resale agreements.

The following table presents our total available funds at period end and on an average basis.

Available funds (dollars in millions)	March 31, 2024	Dec. 31, 2023	Average		
			1Q24	4Q23	1Q23
Cash and due from banks	\$ 5,305	\$ 4,922	\$ 5,480	\$ 4,982	\$ 5,697
Interest-bearing deposits with the Federal Reserve and other central banks	119,197	111,550	102,795	107,291	94,899
Interest-bearing deposits with banks	10,636	12,139	11,724	12,110	16,225
Federal funds sold and securities purchased under resale agreements	29,661	28,900	27,019	25,753	24,631
Total available funds	\$ 164,799	\$ 157,511	\$ 147,018	\$ 150,136	\$ 141,452
Total available funds as a percentage of total assets	38%	38%	36%	37%	35%

Total available funds were \$164.8 billion at March 31, 2024, compared with \$157.5 billion at Dec. 31, 2023. The increase was primarily due to higher interest-bearing deposits with the Federal Reserve and other central banks.

Average payables to customers and broker-dealers were \$12.4 billion for the first three months of 2024 and \$17.0 billion for the first three months of 2023. Payables to customers and broker-dealers are driven by customer trading activity and market volatility.

Average non-core sources of funds, such as federal funds purchased and securities sold under repurchase agreements, trading liabilities, other borrowed funds and commercial paper, were \$18.3 billion for the first three months of 2024, compared with \$22.1 billion for the first three months of 2023. The decrease primarily reflects lower federal funds purchased and securities sold under repurchase agreements and trading liabilities.

Average long-term debt was \$31.1 billion for the first three months of 2024 and \$30.2 billion for the first three months of 2023.

Average noninterest-bearing deposits decreased to \$49.9 billion for the first three months of 2024 from \$69.9 billion for the first three months of 2023, primarily reflecting client activity.

Average interest-bearing domestic deposits were \$138.3 billion for the first three months of 2024, compared with \$112.8 billion for the first three months of 2023. Average interest-bearing foreign deposits, primarily from our European-based businesses included in the Securities Services and Market and Wealth Services segments, were \$90.6 billion for the first three months of 2024, compared with \$91.3 billion for the first three months of 2023. The changes primarily reflect client activity.

A significant reduction of client activity in our Securities Services and Market and Wealth Services business segments would reduce our access to deposits. See “Asset/liability management” for additional factors that could impact our deposit balances.

#### *Sources of liquidity*

The Parent’s major sources of liquidity are access to the debt and equity markets, dividends from its subsidiaries, and cash on hand and cash otherwise made available in business-as-usual circumstances to the Parent through a committed credit facility with our intermediate holding company (“IHC”).

Our ability to access the capital markets on favorable terms, or at all, is partially dependent on our credit ratings, which are as follows:

<b>Credit ratings at March 31, 2024</b>				
	Moody's	S&P	Fitch	DBRS
<b>Parent:</b>				
Long-term senior debt	A1	A	AA-	AA
Subordinated debt	A2	A-	A	AA (low)
Preferred stock	Baa1	BBB	BBB+	A
<b>Outlook – Parent</b>	Positive	Stable	Stable	Stable
<b>The Bank of New York Mellon:</b>				
Long-term senior debt	Aa2	AA-	AA	AA (high)
Subordinated debt	NR	A	NR	NR
Long-term deposits	Aa1	AA-	AA+	AA (high)
Short-term deposits	P-1	A-1+	F1+	R-1 (high)
Commercial paper	P-1	A-1+	F1+	R-1 (high)
<b>BNY Mellon, N.A.:</b>				
Long-term senior debt	Aa2 (a)	AA-	AA (a)	AA (high)
Long-term deposits	Aa1	AA-	AA+	AA (high)
Short-term deposits	P-1	A-1+	F1+	R-1 (high)
<b>Outlook – Banks</b>	Negative (multiple) (b)	Stable	Stable	Stable

(a) Represents senior debt issuer default rating.

(b) Positive outlook on long-term senior debt ratings. Negative outlook on long-term deposits ratings. Positive outlook on senior unsecured rating for The Bank of New York Mellon.

NR – Not rated.

Long-term debt totaled \$32.4 billion at March 31, 2024 and \$31.3 billion at Dec. 31, 2023. Issuances of \$2.5 billion were partially offset by maturities and redemptions totaling \$1.2 billion and a decrease in the fair value of hedged long-term debt. Long-term debt of \$3.7 billion will mature in the remainder of 2024.

The Bank of New York Mellon may issue notes and certificates of deposit (“CDs”). At March 31, 2024 and Dec. 31, 2023, \$1.8 billion and \$1.3 billion, respectively, of notes were outstanding. At March 31, 2024 and Dec. 31, 2023, \$862 million and \$397 million, respectively, of CDs were outstanding.

The Bank of New York Mellon also issues commercial paper that matures within 397 days from the date of issue and is not redeemable prior to maturity or subject to voluntary prepayment. There was no commercial paper outstanding at March 31, 2024 and Dec. 31, 2023. The average commercial paper outstanding was \$8 million for the first three months of 2024. There was no average commercial paper outstanding for the first three months of 2023.

Subsequent to March 31, 2024, our U.S. bank subsidiaries could declare dividends to the Parent of approximately \$1.3 billion, without the need for a

regulatory waiver. In addition, at March 31, 2024, non-bank subsidiaries of the Parent had liquid assets of approximately \$4.4 billion. Restrictions on our ability to obtain funds from our subsidiaries are discussed in more detail in “Supervision and Regulation – Capital Planning and Stress Testing – Payment of Dividends, Stock Repurchases and Other Capital Distributions” and in Note 19 of the Notes to Consolidated Financial Statements, both in our 2023 Annual Report.

Pershing LLC has one uncommitted line of credit in place for funding purposes that is guaranteed by the Parent for \$300 million. There were no borrowings under this line in the first quarter of 2024. Pershing Limited, an indirect UK-based subsidiary of BNY Mellon, has two separate uncommitted lines of credit amounting to \$258 million in aggregate. Average borrowings under these lines were less than \$1 million in the first quarter of 2024.

The double leverage ratio is the ratio of our equity investment in subsidiaries divided by our consolidated Parent company equity, which includes our noncumulative perpetual preferred stock. In short, the double leverage ratio measures the extent to which equity in subsidiaries is financed by Parent



company debt. As the double leverage ratio increases, this can reflect greater demands on a company's cash flows in order to service interest payments and debt maturities. BNY Mellon's double leverage ratio is managed in a range considering the high level of unencumbered available liquid assets held in its principal subsidiaries (such as central bank deposit placements and government securities), the Company's cash generating fee-based business model, with fee revenue representing 73% of total revenue in the first quarter of 2024, and the dividend capacity of our banking subsidiaries. Our double leverage ratio was 121.2% at March 31, 2024 and 120.5% at Dec. 31, 2023, and within the range targeted by management.

#### *Uses of funds*

The Parent's major uses of funds are repurchases of common stock, payment of dividends, principal and interest payments on its borrowings, acquisitions and additional investments in its subsidiaries.

In February 2024, a quarterly dividend of \$0.42 per common share was paid to common shareholders. Our common stock dividend payout ratio was 34% for the first quarter of 2024.

In the first quarter of 2024, we repurchased 17.9 million common shares at an average price of \$55.30 per common share, for a total cost of \$988 million.

#### *Liquidity coverage ratio ("LCR")*

U.S. regulators have established an LCR that requires certain banking organizations, including BNY Mellon, to maintain a minimum amount of unencumbered high-quality liquid assets ("HQLA") sufficient to withstand the net cash outflow under a hypothetical standardized acute liquidity stress scenario for a 30-day time horizon.

The following table presents BNY Mellon's consolidated HQLA, and the average HQLA and average LCR. The LCR for the fourth quarter of 2023 was 117%

<b>Consolidated HQLA and LCR</b> <i>(dollars in billions)</i>	<b>March 31, 2024</b>
Cash (a)	\$ 119
Securities (b)	93
Total consolidated HQLA (c)	\$ 212
Total consolidated HQLA – average (c)	\$ 192
Average consolidated LCR	117%

- (a) Primarily includes cash on deposit with central banks.  
 (b) Primarily includes securities of U.S. government-sponsored enterprises, the U.S. Treasury, sovereigns and U.S. agencies.  
 (c) Consolidated HQLA presented before adjustments. After haircuts and the impact of trapped liquidity, consolidated HQLA totaled \$159 billion at March 31, 2024 and averaged \$143 billion for the first quarter of 2024.

BNY Mellon and each of our affected domestic bank subsidiaries were compliant with the U.S. LCR requirements of at least 100% throughout the first quarter of 2024.

#### *Net stable funding ratio ("NSFR")*

The NSFR is a liquidity requirement applicable to large U.S. banking organizations, including BNY Mellon. The NSFR is expressed as a ratio of the available stable funding to the required stable funding amount over a one-year horizon. Our average consolidated NSFR was 136% for the first quarter of 2024 and 135% for the fourth quarter of 2023.

BNY Mellon and each of our affected domestic bank subsidiaries were compliant with the NSFR requirement of at least 100% throughout the first quarter of 2024.

#### *Statement of cash flows*

The following summarizes the activity reflected on the consolidated statement of cash flows. While this information may be helpful to highlight certain macro trends and business strategies, the cash flow analysis may not be as relevant when analyzing changes in our net earnings and net assets. We believe that in addition to the traditional cash flow analysis, the discussion related to liquidity and dividends and asset/liability management herein may provide more useful context in evaluating our liquidity position and related activity.

Net cash used for operating activities was \$2.7 billion in the three months ended March 31, 2024, compared with net cash provided by operating activities of \$1.8 billion in the three months ended March 31, 2023. In

the three months ended March 31, 2024, cash flows used for operations primarily resulted from changes in trading assets and liabilities and changes in accruals and other, net, partially offset by earnings. In the three months ended March 31, 2023, cash flows provided by operations primarily resulted from changes in trading assets and liabilities and earnings, partially offset by changes in accruals and other, net.

Net cash used for investing activities was \$26.7 billion in the three months ended March 31, 2024, compared with \$17.8 billion in the three months ended March 31, 2023. In the three months ended March 31, 2024, net cash used for investing activities primarily resulted from changes in securities, interest-bearing deposits with the Federal Reserve and other central banks and loans. In the three months ended

March 31, 2023, net cash used for investing activities primarily resulted from changes in interest-bearing deposits with the Federal Reserve and other central banks, partially offset by net changes in securities and loans.

Net cash provided by financing activities was \$28.4 billion in the three months ended March 31, 2024, compared with \$14.4 billion in the three months ended March 31, 2023. In the three months ended March 31, 2024, net cash provided by financing activities primarily resulted from changes in deposits. In the three months ended March 31, 2023, net cash provided by financing activities primarily resulted from changes in federal funds purchased and securities sold under repurchase agreements.

## Capital

<b>Capital data</b> <i>(dollars in millions, except per share amounts; common shares in thousands)</i>	<b>March 31, 2024</b>	Dec. 31, 2023
BNY Mellon shareholders' equity to total assets ratio (a)	9.3%	9.9%
BNY Mellon common shareholders' equity to total assets ratio (a)	8.3%	8.9%
Total BNY Mellon shareholders' equity (a)	\$ 40,569	\$ 40,770
Total BNY Mellon common shareholders' equity (a)	\$ 36,226	\$ 36,427
BNY Mellon tangible common shareholders' equity – Non-GAAP (a)(b)	\$ 19,023	\$ 19,174
Book value per common share (a)	\$ 48.44	\$ 47.97
Tangible book value per common share – Non-GAAP (a)(b)	\$ 25.44	\$ 25.25
Closing stock price per common share	\$ 57.62	\$ 52.05
Market capitalization	\$ 43,089	\$ 39,524
Common shares outstanding	747,816	759,344
<b>Quarterly:</b>		
Cash dividends per common share	\$ 0.42	\$ 0.42
Common dividend payout ratio (a)	34%	202%
Common dividend yield (annualized)	2.9%	3.2%

(a) Prior period was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

(b) See "Supplemental information – Explanation of GAAP and Non-GAAP financial measures" beginning on page 41 for a reconciliation of GAAP to Non-GAAP measures.

The Bank of New York Mellon Corporation total shareholders' equity decreased to \$40.6 billion at March 31, 2024 from \$40.8 billion at Dec. 31, 2023. The decrease primarily reflects common stock repurchase activity and dividends, partially offset by earnings.

The unrealized loss (after-tax) on our available-for-sale securities portfolio, net of hedges, included in accumulated other comprehensive income was \$1.5 billion at March 31, 2024, compared with \$1.6 billion at Dec. 31, 2023. Net unrealized loss, including the

impact of hedges, decreased as securities moved closer to maturity, partially offset by the impact of higher interest rates.

In the first quarter of 2024, we repurchased 17.9 million common shares at an average price of \$55.30 per common share for a total cost of \$988 million.

In January 2023, we announced a share repurchase program approved by our Board of Directors providing for the repurchase of up to \$5.0 billion of common shares beginning Jan. 1, 2023. This share

repurchase plan replaced all previously authorized share repurchase plans.

In April 2024, we announced a new authorization providing for the repurchase of \$6.0 billion of common shares in addition to any remaining capacity under the existing January 2023 authorization.

### Capital adequacy

Regulators establish certain levels of capital for bank holding companies (“BHCs”) and banks, including BNY Mellon and our bank subsidiaries, in accordance with established quantitative measurements. For the Parent to maintain its status as a financial holding company, our U.S. bank subsidiaries and BNY Mellon must, among other things, qualify as “well capitalized.” As of March 31, 2024 and Dec. 31, 2023, BNY Mellon and our U.S. bank subsidiaries were “well capitalized.” Failure to satisfy regulatory standards, including “well

capitalized” status or capital adequacy rules more generally, could result in limitations on our activities and adversely affect our financial condition. See the discussion of these matters in “Supervision and Regulation – Regulated Entities of BNY Mellon and Ancillary Regulatory Requirements” and “Risk Factors – Capital and Liquidity Risk – Failure to satisfy regulatory standards, including “well capitalized” and “well managed” status or capital adequacy and liquidity rules more generally, could result in limitations on our activities and adversely affect our business and financial condition,” both of which are in our 2023 Annual Report.

The U.S. banking agencies’ capital rules are based on the framework adopted by the Basel Committee on Banking Supervision, as amended from time to time. For additional information on these capital requirements, see “Supervision and Regulation” in our 2023 Annual Report.

The table below presents our consolidated and largest bank subsidiary regulatory capital ratios.

Consolidated and largest bank subsidiary regulatory capital ratios	March 31, 2024			Dec. 31, 2023
	Well capitalized	Minimum required (a)	Capital ratios	Capital ratios (b)
<b>Consolidated regulatory capital ratios: (c)</b>				
<b>Advanced Approaches:</b>				
CET1 ratio	N/A (d)	8.5%	<b>11.1%</b>	11.5%
Tier 1 capital ratio	6%	10	<b>13.7</b>	14.2
Total capital ratio	10	12	<b>14.5</b>	14.9
<b>Standardized Approach:</b>				
CET1 ratio	N/A (d)	8.5%	<b>10.8%</b>	11.9%
Tier 1 capital ratio	6%	10	<b>13.4</b>	14.6
Total capital ratio	10	12	<b>14.3</b>	15.6
Tier 1 leverage ratio	N/A (d)	4	<b>5.9</b>	6.0
SLR (d)	N/A (d)	5	<b>7.0</b>	7.3
<b>The Bank of New York Mellon regulatory capital ratios: (c)</b>				
CET1 ratio	6.5%	7%	<b>15.7%</b>	16.2%
Tier 1 capital ratio	8	8.5	<b>15.7</b>	16.2
Total capital ratio	10	10.5	<b>16.0</b>	16.3
Tier 1 leverage ratio	5	4	<b>6.5</b>	6.6
SLR (e)	6	3	<b>8.2</b>	8.5

(a) Minimum requirements for March 31, 2024 include minimum thresholds plus currently applicable buffers. The U.S. global systemically important banks (“G-SIB”) surcharge of 1.5% is subject to change. The countercyclical capital buffer is currently set to 0%. The stress capital buffer (“SCB”) requirement is 2.5%, equal to the regulatory minimum for Standardized Approach capital ratios.

(b) Prior period was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

(c) For our CET1, Tier 1 capital and Total capital ratios, our effective capital ratios under U.S. capital rules are the lower of the ratios as calculated under the Standardized and Advanced Approaches. The Tier 1 leverage ratio is based on Tier 1 capital and quarterly average total assets.

(d) The Federal Reserve’s regulations do not establish well capitalized thresholds for these measures for BHCs.

(e) The SLR is based on Tier 1 capital and total leverage exposure, which includes certain off-balance sheet exposures.

N/A – Not applicable.

Our CET1 ratio under the Standardized Approach was 10.8% at March 31, 2024 and 11.5% at Dec. 31, 2023 under the Advanced Approaches. The decrease was driven by higher period-end risk-weighted assets, common stock repurchases and dividends, partially offset by capital generated through earnings.

The Tier 1 leverage ratio was 5.9% at March 31, 2024 and 6.0% at Dec. 31, 2023. The decrease reflects common stock repurchases and dividends and higher average assets, partially offset by capital generated through earnings.

Risk-based capital ratios vary depending on the size of the balance sheet at period end and the levels and types of investments in assets, and leverage ratios vary based on the average size of the balance sheet over the quarter. The balance sheet size fluctuates from period to period based on levels of customer and market activity. In general, when servicing clients are more actively trading securities, deposit balances and the balance sheet as a whole are higher. In addition, when markets experience significant volatility or stress, our balance sheet size may increase considerably as client deposit levels increase.

Our capital ratios are necessarily subject to, among other things, anticipated compliance with all necessary enhancements to model calibration, approval by regulators of certain models used as part of RWA calculations, other refinements, further implementation guidance from regulators, market practices and standards and any changes BNY Mellon may make to its businesses. As a consequence of these factors, our capital ratios may materially change, and may be volatile over time and from period to period.

Under the Advanced Approaches, our operational loss risk model is informed by external losses, including fines and penalties levied against institutions in the financial services industry, particularly those that relate to businesses in which we operate, and as a result, external losses have impacted and could in the future impact the amount of capital that we are required to hold.

The following table presents our capital components and RWAs.

<b>Capital components and risk-weighted assets</b> <i>(in millions)</i>	<b>March 31, 2024</b>	<b>Dec. 31, 2023</b> <i>(a)</i>
<b>CET1:</b>		
Common shareholders' equity	\$ 36,226	\$ 36,427
Adjustments for:		
Goodwill and intangible assets <i>(b)</i>	(17,203)	(17,253)
Net pension fund assets	(302)	(297)
Embedded goodwill	(269)	(275)
Deferred tax assets	(61)	(62)
Other	(8)	(6)
Total CET1	18,383	18,534
<b>Other Tier 1 capital:</b>		
Preferred stock	4,343	4,343
Other	(3)	(14)
Total Tier 1 capital	\$ 22,723	\$ 22,863
<b>Tier 2 capital:</b>		
Subordinated debt	\$ 1,148	\$ 1,148
Allowance for credit losses	440	414
Other	(1)	(11)
Total Tier 2 capital – Standardized Approach	1,587	1,551
Excess of expected credit losses	70	85
Less: Allowance for credit losses	440	414
Total Tier 2 capital – Advanced Approaches	\$ 1,217	\$ 1,222
<b>Total capital:</b>		
Standardized Approach	\$ 24,310	\$ 24,414
Advanced Approaches	\$ 23,940	\$ 24,085
<b>Risk-weighted assets:</b>		
Standardized Approach	\$ 169,909	\$ 156,178
Advanced Approaches:		
Credit Risk	\$ 91,980	\$ 87,223
Market Risk	3,208	3,380
Operational Risk	70,475	70,925
Total Advanced Approaches	\$ 165,663	\$ 161,528
<b>Average assets for Tier 1 leverage ratio</b>	<b>\$ 386,148</b>	<b>\$ 383,705</b>
<b>Total leverage exposure for SLR</b>	<b>\$ 325,801</b>	<b>\$ 313,555</b>

*(a) Prior period was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.*

*(b) Reduced by deferred tax liabilities associated with intangible assets and tax-deductible goodwill.*

The table below presents the factors that impacted CET1 capital.

<b>CET1 generation</b>	
<i>(in millions)</i>	<b>1Q24</b>
CET1 – Beginning of period	\$ 18,534
Net income applicable to common shareholders of The Bank of New York Mellon Corporation	953
Goodwill and intangible assets, net of related deferred tax liabilities	50
Gross CET1 generated	1,003
Capital returned:	
Common stock repurchases	(988)
Common stock dividends (a)	(324)
Total capital returned	(1,312)
Other comprehensive gain (loss):	
Unrealized gain on assets available-for-sale	104
Foreign currency translation	(91)
Unrealized gain on cash flow hedges	1
Defined benefit plans	3
Total other comprehensive gain	17
Additional paid-in capital (b)	147
Other additions (deductions):	
Net pension fund assets	(5)
Embedded goodwill	6
Deferred tax assets	1
Other	(8)
Total other (deductions)	(6)
Net CET1 returned	(151)
CET1 – End of period	\$ 18,383

(a) Includes dividend equivalents on share-based awards.

(b) Primarily related to stock awards and stock issued for employee benefit plans.

The following table shows the impact on the consolidated capital ratios at March 31, 2024 of a \$100 million increase or decrease in common equity, or a \$1 billion increase or decrease in RWAs, quarterly average assets or total leverage exposure.

<b>Sensitivity of consolidated capital ratios at March 31, 2024</b>		
	Increase or decrease of	
<i>(in basis points)</i>	\$100 million in common equity	\$1 billion in RWA, quarterly average assets or total leverage exposure
<b>CET1:</b>		
Standardized Approach	6 bps	6 bps
Advanced Approaches	6	7
<b>Tier 1 capital:</b>		
Standardized Approach	6	8
Advanced Approaches	6	8
<b>Total capital:</b>		
Standardized Approach	6	8
Advanced Approaches	6	9
<b>Tier 1 leverage</b>	3	2
<b>SLR</b>	3	2

### Stress capital buffer

In July 2023, the Federal Reserve announced that BNY Mellon’s SCB requirement would remain at 2.5%, equal to the regulatory floor, for the period from Oct. 1, 2023 through Sept. 30, 2024. The SCB replaced the static 2.5% capital conservation buffer for Standardized Approach capital ratios for CCAR BHCs. The SCB does not apply to bank subsidiaries, which remain subject to the static 2.5% capital conservation buffer. See “Supervision and Regulation” in our 2023 Annual Report for additional information.

The SCB final rule generally eliminates the requirement for prior approval of common stock repurchases in excess of the distributions in a firm’s capital plan, provided that such distributions are consistent with applicable capital requirements and buffers, including the SCB.

### Total Loss-Absorbing Capacity (“TLAC”)

The following summarizes the minimum requirements for BNY Mellon’s external TLAC and external long-term debt (“LTD”) ratios, plus currently applicable buffers.

	As a % of RWAs (a)	As a % of total leverage exposure
<b>Eligible external TLAC ratios</b>	Regulatory minimum of 18% plus a buffer (b) equal to the sum of 2.5%, the method 1 G-SIB surcharge (currently 1%), and the countercyclical capital buffer, if any	Regulatory minimum of 7.5% plus a buffer (c) equal to 2%
<b>Eligible external LTD ratios</b>	Regulatory minimum of 6% plus the greater of the method 1 or method 2 G-SIB surcharge (currently 1.5%)	4.5%

(a) RWA is the greater of Standardized Approach and Advanced Approaches.

(b) Buffer to be met using only CET1.

(c) Buffer to be met using only Tier 1 capital.

External TLAC consists of the Parent’s Tier 1 capital and eligible unsecured LTD issued by it that has a remaining term to maturity of at least one year and satisfies certain other conditions. Eligible LTD consists of the unpaid principal balance of eligible unsecured debt securities, subject to haircuts for amounts due to be paid within two years, that satisfy certain other conditions. Debt issued prior to Dec.

31, 2016 has been permanently grandfathered to the extent these instruments otherwise would be ineligible only due to containing impermissible acceleration rights or being governed by foreign law.

The following table presents our external TLAC and external LTD ratios.

TLAC and LTD ratios	March 31, 2024		
	Minimum required	Minimum ratios with buffers	Ratios
Eligible external TLAC:			
As a percentage of RWA	18.0%	21.5%	29.4%
As a percentage of total leverage exposure	7.5%	9.5%	15.3%
Eligible external LTD:			
As a percentage of RWA	7.5%	N/A	15.0%
As a percentage of total leverage exposure	4.5%	N/A	7.8%

N/A – Not applicable.

If BNY Mellon maintains risk-based ratio or leverage TLAC measures above the minimum required level, but with a risk-based ratio or leverage below the minimum level with buffers, we will face constraints on dividends, equity repurchases and discretionary executive compensation based on the amount of the shortfall and eligible retained income.

## Trading activities and risk management

Our trading activities are focused on acting as a market-maker for our customers, facilitating customer trades and risk-mitigating hedging in compliance with the Volcker Rule. The risk from market-making activities for customers is managed by our traders and limited in total exposure through a system of position limits, value-at-risk (“VaR”) methodology and other market sensitivity measures. VaR is the potential loss in value due to adverse market movements over a defined time horizon with a specified confidence level. The calculation of our VaR used by management and presented below assumes a one-day holding period, utilizes a 99% confidence level and incorporates non-linear product characteristics. VaR facilitates comparisons across portfolios of different risk characteristics. VaR also captures the diversification of aggregated risk at the firm-wide level.

VaR represents a key risk management measure, and it is important to note the inherent limitations to VaR, which include:

- VaR does not estimate potential losses over longer time horizons where moves may be extreme;
- VaR does not take into account the potential variability of market liquidity; and
- Previous moves in market risk factors may not produce accurate predictions of all future market moves.

See Note 17 of the Notes to Consolidated Financial Statements for additional information on the VaR methodology.

The following tables indicate the calculated VaR amounts for the trading portfolio for the designated periods using the historical simulation VaR model.

VaR (a) (in millions)	1Q24			March 31, 2024
	Average	Minimum	Maximum	
Interest rate	\$ 2.5	\$ 1.9	\$ 3.6	\$ 2.0
Foreign exchange	2.2	1.6	3.0	1.9
Equity	0.1	—	0.2	0.1
Credit	1.3	0.9	1.9	1.2
Diversification	(4.3)	N/M	N/M	(3.5)
Overall portfolio	1.8	1.4	2.4	1.7

VaR (a) (in millions)	4Q23			Dec. 31, 2023
	Average	Minimum	Maximum	
Interest rate	\$ 3.3	\$ 2.1	\$ 4.9	\$ 2.6
Foreign exchange	2.7	2.3	3.5	2.9
Equity	0.3	0.1	1.5	0.1
Credit	1.6	1.0	2.3	1.3
Diversification	(5.7)	N/M	N/M	(4.7)
Overall portfolio	2.2	1.6	3.0	2.2

VaR (a) (in millions)	1Q23			March 31, 2023
	Average	Minimum	Maximum	
Interest rate	\$ 3.8	\$ 2.1	\$ 7.6	\$ 4.4
Foreign exchange	3.6	2.4	5.7	3.1
Equity	0.1	—	0.3	0.2
Credit	1.8	0.7	3.5	1.9
Diversification	(5.3)	N/M	N/M	(4.9)
Overall portfolio	4.0	2.2	8.9	4.7

(a) VaR exposure does not include the impact of the Company’s consolidated investment management funds and seed capital investments.

N/M – Because the minimum and maximum may occur on different days for different risk components, it is not meaningful to compute a minimum and maximum portfolio diversification effect.

The interest rate component of VaR represents instruments whose values are predominantly driven by interest rate levels. These instruments include, but are not limited to, U.S. Treasury securities, swaps, swaptions, forward rate agreements, exchange-traded futures and options, and other interest rate derivative products.

The foreign exchange component of VaR represents instruments whose values predominantly vary with the level or volatility of currency exchange rates or interest rates. These instruments include, but are not limited to, currency balances, spot and forward transactions, currency options and other currency derivative products.

The equity component of VaR consists of instruments that represent an ownership interest in the form of domestic and foreign common stock or other equity-linked instruments. These instruments include, but are not limited to, common stock, exchange-traded funds, preferred stock, listed equity options (puts and calls), OTC equity options, equity total return swaps, equity index futures and other equity derivative products.

The credit component of VaR represents instruments whose values are predominantly driven by credit spread levels, i.e., idiosyncratic default risk. These instruments include, but are not limited to, single issuer credit default swaps, and securities with exposures from corporate and municipal credit spreads.

The diversification component of VaR is the risk reduction benefit that occurs when combining portfolios and offsetting positions, and from the correlated behavior of risk factor movements.

During the first quarter of 2024, interest rate risk generated 41% of average gross VaR, foreign exchange risk generated 36% of average gross VaR, credit risk generated 21% of average gross VaR and equity risk generated 2% of average gross. During the first quarter of 2024, our daily trading loss did not exceed our calculated VaR amount of the overall portfolio.

The following table of total daily trading revenue or loss illustrates the number of trading days in which our trading revenue or loss fell within particular ranges during the past five quarters.

Distribution of trading revenue (loss) (a)					
(dollars in millions)	Quarter ended				
	March 31, 2024	Dec. 31, 2023	Sept. 30, 2023	June 30, 2023	March 31, 2023
<b>Revenue range:</b>	<b>Number of days</b>				
Less than \$(2.5)	—	2	—	—	—
\$(2.5) – \$0	1	3	5	2	1
\$0 – \$2.5	19	18	14	15	20
\$2.5 – \$5.0	30	25	24	37	26
More than \$5.0	12	15	20	9	15

(a) Trading revenue (loss) includes realized and unrealized gains and losses primarily related to spot and forward foreign exchange transactions, derivatives and securities trades for our customers and excludes any associated commissions, underwriting fees and net interest income.

Trading assets include debt and equity instruments and derivative assets, primarily foreign exchange and interest rate contracts, not designated as hedging instruments. Trading assets were \$10.1 billion at March 31, 2024 and Dec. 31, 2023.

Trading liabilities include debt and equity instruments and derivative liabilities, primarily foreign exchange and interest rate contracts, not designated as hedging instruments. Trading liabilities were \$3.1 billion at March 31, 2024 and \$6.2 billion at Dec. 31, 2023.

Under our fair value methodology for derivative contracts, an initial “risk-neutral” valuation is performed on each position assuming time discounting based on a AA credit curve. In addition, we consider credit risk in arriving at the fair value of our derivatives.

We reflect external credit ratings as well as observable credit default swap spreads for both ourselves and our counterparties when measuring the fair value of our derivative positions. Accordingly, the valuation of our derivative positions is sensitive to the current changes in our own credit spreads, as well as those of our counterparties.

At March 31, 2024, our OTC derivative assets, including those in hedging relationships, of \$1.7 billion included a credit valuation adjustment (“CVA”) deduction of \$13 million. Our OTC derivative liabilities, including those in hedging relationships, of \$1.7 billion included a debit valuation adjustment (“DVA”) of \$5 million related to our own credit spread. Net of hedges, the CVA and DVA were unchanged in the first quarter of 2024, which resulted in no impact to investment and other revenue – other trading revenue. The net impact decreased investment and other revenue – other

trading revenue by \$2 million in the fourth quarter of 2023 and increased investment and other revenue – other trading revenue by \$1 million in the first quarter of 2023.

The table below summarizes our exposure, net of collateral related to our derivative counterparties, as determined on an internal risk management basis. Significant changes in counterparty credit ratings could alter the level of credit risk faced by BNY Mellon.

<b>Foreign exchange and other trading counterparty risk-rating profile</b>				
<i>(dollars in millions)</i>	<b>March 31, 2024</b>		<b>Dec. 31, 2023</b>	
	Exposure, net of collateral	Percentage of exposure, net of collateral	Exposure, net of collateral	Percentage of exposure, net of collateral
Investment grade	\$ 1,511	97%	\$ 2,062	95%
Non-investment grade	53	3%	103	5%
<b>Total</b>	<b>\$ 1,564</b>	<b>100%</b>	<b>\$ 2,165</b>	<b>100%</b>

## Asset/liability management

Our diversified business activities include processing securities, accepting deposits, investing in securities, lending, raising money as needed to fund assets and other transactions. The market risks from these activities include interest rate risk and foreign exchange risk. Our primary market risk is exposure to movements in U.S. dollar interest rates and certain foreign currency interest rates. We actively manage interest rate sensitivity and use earnings simulation and discounted cash flow models to identify interest rate exposures.

An earnings simulation model is the primary tool used to assess changes in pre-tax net interest income between a baseline scenario and hypothetical interest rate scenarios. Interest rate sensitivity is quantified by calculating the change in pre-tax net interest income between the scenarios over a 12-month measurement period.

The baseline scenario incorporates the market's forward rate expectations and management's assumptions regarding client deposit rates, credit spreads, changes in the prepayment behavior of loans and securities and the impact of derivative financial instruments used for interest rate risk management purposes as of each respective quarter-end. These assumptions have been developed through a

combination of historical analysis and future expected pricing behavior and are inherently uncertain. Actual results may differ materially from projected results due to timing, magnitude and frequency of interest rate changes, and changes in market conditions and management's strategies, among other factors. Client deposit levels and mix are key assumptions impacting net interest income in the baseline as well as the hypothetical interest rate scenarios. The earnings simulation model assumes static deposit levels and mix, and it also assumes that no management actions will be taken to mitigate the effects of interest rate changes. Typically, the baseline scenario uses the average deposit balances of the quarter.

In the table below, we use the earnings simulation model to assess the impact of various hypothetical interest rate scenarios compared to the baseline scenario. In each of the scenarios, all currencies' interest rates are instantaneously shifted higher or lower at the start of the forecast. Long-term interest rates are defined as all tenors equal to or greater than three years and short-term interest rates are defined as all tenors equal to or less than three months. Interim term points are interpolated where applicable. The impact of interest rate shifts may not be linear. The results of this earnings simulation should therefore not be extrapolated for more severe interest rate scenarios than those presented in the table below.

The following table shows net interest income sensitivity for BNY Mellon.

<b>Estimated changes in net interest income</b> <i>(in millions)</i>	<b>March 31, 2024</b>	<b>Dec. 31, 2023</b>	<b>March 31, 2023</b>
Up 100 bps rate shock vs. baseline	\$ 86	\$ 254	\$ 441
Long-term up 100 bps, short-term unchanged	98	71	109
Short-term up 100 bps, long-term unchanged	(12)	183	332
Long-term down 100 bps, short-term unchanged	(102)	(73)	(108)
Short-term down 100 bps, long-term unchanged	(76)	(270)	(354)
Down 100 bps rate shock vs. baseline	(178)	(343)	(463)

At March 31, 2024, the change in impact of a 100 bps upward or downward shift in rates on net interest income compared with Dec. 31, 2023 was primarily driven by a slight increase in fixed-rate assets, lower noninterest-bearing deposits and more rate sensitive deposit balances.



While the net interest income sensitivity scenario calculations assume static deposit balances to facilitate consistent period-over-period comparisons, net interest income is impacted by changes in deposit balances. Noninterest-bearing deposits are particularly sensitive to changes in short-term rates.

To illustrate the net interest income sensitivity to deposit run-off, we estimate that a \$5 billion instantaneous reduction/increase in U.S. dollar-denominated noninterest-bearing deposits would reduce/increase the net interest income sensitivity results in the up 100 basis point scenario in the table above by approximately \$300 million. The impact would be smaller if the run-off was assumed to be a mixture of interest-bearing and noninterest-bearing deposits.

Additionally, during periods of low short-term interest rates, money market mutual fund fees and other similar fees are typically waived to protect investors from negative returns.

For a discussion of factors impacting the growth or contraction of deposits, see “Risk Factors – Capital and Liquidity Risk – Our business, financial condition and results of operations could be adversely affected if we do not effectively manage our liquidity” in our 2023 Annual Report.

## **Supplemental information – Explanation of GAAP and Non-GAAP financial measures**

BNY Mellon has included in this Form 10-Q certain Non-GAAP financial measures on a tangible basis as a supplement to GAAP information, which exclude goodwill and intangible assets, net of deferred tax liabilities. We believe that the return on tangible common equity – Non-GAAP is additional useful information for investors because it presents a measure of those assets that can generate income, and the tangible book value per common share – Non-GAAP is additional useful information because it presents the level of tangible assets in relation to shares of common stock outstanding.

BNY Mellon has also included revenue measures excluding notable items, including the reduction in the fair value of a contingent consideration receivable related to a prior year divestiture and disposal losses. Expense measures, excluding notable items, including the FDIC special assessment, severance expense and litigation reserves, are also presented. Litigation reserves represent accruals for loss contingencies that are both probable and reasonably estimable, but exclude standard business-related legal fees. Net income applicable to common shareholders of The Bank of New York Mellon Corporation, diluted earnings per share, return on common equity, return on tangible common equity and pre-tax operating

margin, excluding the notable items mentioned above, are also provided. These measures are provided to permit investors to view the financial measures on a basis consistent with how management views the businesses.

The presentation of the growth rates of investment management and performance fees on a constant currency basis permits investors to assess the significance of changes in foreign currency exchange rates. Growth rates on a constant currency basis were determined by applying the current period foreign currency exchange rates to the prior period revenue. We believe that this presentation, as a supplement to GAAP information, gives investors a clearer picture of the related revenue results without the variability caused by fluctuations in foreign currency exchange rates.

BNY Mellon has also included the adjusted pre-tax operating margin – Non-GAAP, which is the pre-tax operating margin for the Investment and Wealth Management business segment, net of distribution and servicing expense that was passed to third parties who distribute or service our managed funds. We believe that this measure is useful when evaluating the performance of the Investment and Wealth Management business segment relative to industry competitors.

Reconciliation of Non-GAAP measures, excluding notable items (dollars in millions, except per share amounts)	1Q24	4Q23	1Q23	1Q24 vs.	
				4Q23	1Q23
Total revenue – GAAP	\$ 4,527	\$ 4,358	\$ 4,415	4%	3%
Less: Reduction in the fair value of a contingent consideration receivable related to a prior year divestiture (a)	—	(144)	—		
Disposal (losses) (a)	—	(6)	(1)		
Adjusted total revenue – Non-GAAP	\$ 4,527	\$ 4,508	\$ 4,416	—%	3%
Noninterest expense – GAAP	\$ 3,176	\$ 3,995	\$ 3,100	(21)%	2%
Less: Severance (b)	36	200	—		
Litigation reserves (b)	2	47	6		
FDIC special assessment (b)	—	632	—		
Adjusted noninterest expense – Non-GAAP	\$ 3,138	\$ 3,116	\$ 3,094	1%	1%
Net income applicable to common shareholders of The Bank of New York Mellon Corporation – GAAP	\$ 953	\$ 162	\$ 911	488%	5%
Less: Reduction in the fair value of a contingent consideration receivable related to a prior year divestiture (a)	—	(144)	—		
Disposal (losses) (a)	—	(5)	—		
Severance (b)	(27)	(153)	—		
Litigation reserves (b)	(2)	(47)	(4)		
FDIC special assessment (b)	—	(482)	—		
Adjusted net income applicable to common shareholders of The Bank of New York Mellon Corporation – Non-GAAP	\$ 982	\$ 993	\$ 915	(1)%	7%
Diluted earnings per common share – GAAP	\$ 1.25	\$ 0.21	\$ 1.13	495%	11%
Less: Reduction in the fair value of a contingent consideration receivable related to a prior year divestiture (a)	—	(0.19)	—		
Disposal (losses) (a)	—	(0.01)	—		
Severance (b)	(0.04)	(0.20)	—		
Litigation reserves (b)	—	(0.06)	(0.01)		
FDIC special assessment (b)	—	(0.62)	—		
Total diluted earnings per common share impact of notable items	(0.04)	(1.08)	(0.01)		
Adjusted diluted earnings per common share – Non-GAAP	\$ 1.29	\$ 1.29	\$ 1.13 (c)	—%	14%

(a) Reflected in Investment and other revenue.

(b) Severance is reflected in Staff expense, Litigation reserves in Other expense, and FDIC special assessment in Bank assessment charges, respectively.

(c) Does not foot due to rounding.

The following table presents the reconciliation of the pre-tax operating margin.

Pre-tax operating margin reconciliation (dollars in millions)	1Q24	4Q23	1Q23
Income before taxes – GAAP	\$ 1,324	\$ 279	\$ 1,288
Impact of notable items (a)	(38)	(1,029)	(7)
Adjusted income before taxes, excluding notable items – Non-GAAP	\$ 1,362	\$ 1,308	\$ 1,295
Total revenue – GAAP	\$ 4,527	\$ 4,358	\$ 4,415
Impact of notable items (a)	—	(150)	(1)
Adjusted total revenue, excluding notable items – Non-GAAP	\$ 4,527	\$ 4,508	\$ 4,416
Pre-tax operating margin – GAAP (b)	29%	6%	29%
Adjusted pre-tax operating margin – Non-GAAP (b)	30%	29%	29%

(a) See above for details of notable items and line items impacted.

(b) Income before taxes divided by total revenue.

The following table presents the reconciliation of the return on common equity and tangible common equity.

<b>Return on common equity and tangible common equity reconciliation</b> (dollars in millions)	<b>1Q24</b>	<b>4Q23</b>	<b>1Q23</b>
Net income applicable to common shareholders of The Bank of New York Mellon Corporation – GAAP	\$ 953	\$ 162	\$ 911
Add: Amortization of intangible assets	12	14	14
Less: Tax impact of amortization of intangible assets	3	4	3
Adjusted net income applicable to common shareholders of The Bank of New York Mellon Corporation, excluding amortization of intangible assets – Non-GAAP	962	172	922
Impact of notable items (a)	(29)	(831)	(4)
Adjusted net income applicable to common shareholders of The Bank of New York Mellon Corporation, excluding amortization of intangible assets and notable items – Non-GAAP	\$ 991	\$ 1,003	\$ 926
Average common shareholders' equity	\$35,905	\$ 36,050	\$ 35,483
Less: Average goodwill	16,238	16,199	16,160
Average intangible assets	2,848	2,858	2,899
Add: Deferred tax liability – tax deductible goodwill	1,209	1,205	1,187
Deferred tax liability – intangible assets	655	657	660
Average tangible common shareholders' equity – Non-GAAP	\$ 18,683	\$ 18,855	\$ 18,271
Return on common equity – GAAP (b)	10.7%	1.8%	10.4%
Adjusted return on common equity – Non-GAAP (b)	11.0%	10.9%	10.5%
Return on tangible common equity – Non-GAAP (b)	20.7%	3.6%	20.5%
Adjusted return on tangible common equity – Non-GAAP (b)	21.3%	21.1%	20.6%

(a) See page 42 for details of notable items and line items impacted.

(b) Returns are annualized.

The following table presents the reconciliation of book value and tangible book value per common share.

<b>Book value and tangible book value per common share reconciliation</b> (dollars in millions, except per share amounts and unless otherwise noted)	<b>March 31, 2024</b>	<b>Dec. 31, 2023</b>	<b>March 31, 2023</b>
The Bank of New York Mellon Corporation shareholders' equity at period end – GAAP	\$ 40,569	\$ 40,770	\$ 40,519
Less: Preferred stock	4,343	4,343	4,838
The Bank of New York Mellon Corporation common shareholders' equity at period end – GAAP	36,226	36,427	35,681
Less: Goodwill	16,228	16,261	16,192
Intangible assets	2,839	2,854	2,890
Add: Deferred tax liability – tax deductible goodwill	1,209	1,205	1,187
Deferred tax liability – intangible assets	655	657	660
The Bank of New York Mellon Corporation tangible common shareholders' equity at period end – Non-GAAP	\$ 19,023	\$ 19,174	\$ 18,446
Period-end common shares outstanding (in thousands)	747,816	759,344	789,134
Book value per common share – GAAP	\$ 48.44	\$ 47.97	\$ 45.22
Tangible book value per common share – Non-GAAP	\$ 25.44	\$ 25.25	\$ 23.38

The following table presents the impact of changes in foreign currency exchange rates on our consolidated investment management and performance fees.

<b>Constant currency reconciliation – Consolidated</b> (dollars in millions)	<b>1Q24</b>	<b>1Q23</b>	<b>1Q24 vs. 1Q23</b>
Investment management and performance fees – GAAP	\$ 776	\$ 776	—%
Impact of changes in foreign currency exchange rates	—	5	
Adjusted investment management and performance fees – Non-GAAP	\$ 776	\$ 781	(1)%

The following table presents the impact of changes in foreign currency exchange rates on investment management and performance fees reported in the Investment and Wealth Management business segment.

<b>Constant currency reconciliation – Investment and Wealth Management business segment</b> <i>(dollars in millions)</i>	<b>1Q24 vs.</b>		
	<b>1Q24</b>	<b>1Q23</b>	<b>1Q23</b>
Investment management and performance fees – GAAP	\$ 778	\$ 777	—%
Impact of changes in foreign currency exchange rates	—	5	
Adjusted investment management and performance fees – Non-GAAP	\$ 778	\$ 782	<b>(1)%</b>

The following table presents the reconciliations of income before income taxes, total revenue and the pre-tax operating margin for the Investment and Wealth Management business segment.

<b>Reconciliation of Non-GAAP measures, excluding notable items – Investment and Wealth Management business segment</b> <i>(dollars in millions)</i>	<b>1Q24 vs.</b>		
	<b>1Q24</b>	<b>4Q23</b>	<b>4Q23</b>
Income (loss) before income taxes – GAAP	\$ 107	\$ (4)	N/M
Impact of notable items <i>(a)</i>	<b>(4)</b>	(156)	
Adjusted income before income taxes – Non-GAAP	\$ 111	\$ 152	<b>(27)%</b>
Total revenue – GAAP	\$ 846	\$ 679	<b>25%</b>
Impact of notable items <i>(a)</i>	—	(144)	
Adjusted total revenue – Non-GAAP	\$ 846	\$ 823	<b>3%</b>
Less: Distribution and servicing expense		89	
Adjusted total revenue excluding notable items, net of distribution and servicing expense – Non-GAAP		\$ 734	
Pre-tax operating margin – GAAP <i>(b)</i>			(1)%
Adjusted pre-tax operating margin, net of distribution and servicing expense – Non-GAAP <i>(b)</i>			(1)%
Adjusted pre-tax operating margin, net of distribution and servicing expense and excluding notable items – Non-GAAP <i>(b)</i>			21%

*(a) See page 42 for details of notable items and line items impacted. Notable items in the first quarter of 2024 include severance expense. Notable items in the fourth quarter of 2023 include the reduction in the fair value of a contingent consideration receivable related to a prior year divestiture (reflected in investment and other revenue) and severance expense.*

*(b) Income before income taxes divided by total revenue.*

*N/M - Not meaningful.*

<b>Pre-tax operating margin reconciliation – Investment and Wealth Management business segment</b> <i>(dollars in millions)</i>	<b>1Q24</b>	<b>3Q23</b>	<b>2Q23</b>	<b>1Q23</b>
Income before income taxes – GAAP	\$ 107	\$ 164	\$ 130	\$ 93
Total revenue – GAAP	\$ 846	\$ 830	\$ 816	\$ 830
Less: Distribution and servicing expense	<b>96</b>	87	93	86
Adjusted total revenue, net of distribution and servicing expense – Non-GAAP	\$ 750	\$ 743	\$ 723	\$ 744
Pre-tax operating margin – GAAP <i>(a)</i>	<b>13%</b>	20%	16%	11%
Adjusted pre-tax operating margin, net of distribution and servicing expense – Non-GAAP <i>(a)</i>	<b>14%</b>	22%	18%	13%

*(a) Income before income taxes divided by total revenue.*

## Recent accounting and regulatory developments

### *Recent accounting developments*

The following accounting guidance issued by the Financial Accounting Standards Board (“FASB”) has not yet been adopted as of March 31, 2024.

#### *ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires a public entity to disclose, on an annual and interim basis, significant segment expenses that are regularly provided to the chief operating decision maker (“CODM”) and included within each reported measure of segment profit or loss (collectively referred to as the “significant expense principle”). In addition, disclosure will be required of the title and position of CODM, and how the CODM uses the reported measure of segment profit or loss in assessing segment performance and deciding how to allocate resources.

This ASU is effective for annual periods beginning after Dec. 15, 2023 with early adoption permitted. BNY Mellon is currently evaluating this guidance and the impact on the business segment disclosures.

#### *ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures*

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires a company to disclose, on an annual basis, additional disaggregated information related to the existing disclosures for the effective income tax rate reconciliation and income taxes paid.

This ASU is effective on a prospective basis, with a retrospective option, for annual periods beginning after Dec. 15, 2024, and interim periods within fiscal years beginning after Dec. 15, 2025. BNY Mellon is currently evaluating this guidance and the impact on the income tax disclosures.

### *Recent regulatory and other developments*

For a summary of additional regulatory matters relevant to our operations, see “Supervision and Regulation” in our 2023 Annual Report. The following discussion summarizes certain regulatory, legislative and other developments that may affect BNY Mellon.

#### *SEC Enhancement and Standardization of Climate-Related Disclosures for Investors Rule*

On March 6, 2024, the SEC adopted its final climate-risk disclosure rule, which it first proposed in March 2022. The final rule is currently subject to multiple legal challenges and, on April 4, 2024, the SEC voluntarily issued an order staying the final rule pending the completion of judicial review of the legal challenges. If effective, the final rule would require registrants to disclose material climate-related information in registration statements and periodic reports, with a phased-in compliance period that varies based on disclosure content and for BNY Mellon would begin for the year-ended Dec. 31, 2025. We are assessing the developments and the potential impact of the final rule.

#### *European and UK Financial Markets and Market Infrastructure*

The EU and the UK have embarked on changes to their financial markets and market infrastructure regulations. In the EU, this is being effected by amendments to Markets in Financial Instruments Directive II and Markets in Financial Instruments Regulation, the amending instruments for which entered into force on March 28, 2024 (with secondary legislation to follow). In the UK, this is being undertaken by the UK Financial Conduct Authority pursuant to the UK Government’s Edinburgh Reforms (a series of measures to promote stability and competitive growth in the UK financial markets post-Brexit), and pursuant to the Financial Services and Markets Act 2023. These changes will in particular affect transaction reporting and market transparency obligations, as well as laying the ground for the establishment of consolidated tape providers to collate market data and provide a standardized electronic data feed in the equity and debt secondary markets. BNY Mellon will continue to monitor the practical impacts of these rules as further details emerge.

## *EU Corporate Sustainability Due Diligence Directive*

On March 15, 2024, EU lawmakers approved an amended version of the Corporate Sustainability Due Diligence Directive (as amended, “CSDDD”), which the European Parliament approved on April 24, 2024. The final rules are subject to adoption by the European Council, with publication of the approved CSDDD in the Official Journal of the EU and entry into force expected in or around the third quarter of 2024. CSDDD is likely to impact BNYM given that under the CSDDD, large EU companies and non-EU companies with significant EU activity, will be required to comply with due diligence obligations (including preventing and mitigating potential adverse human rights and environmental impacts as well as ending, and minimizing the extent of, actual adverse impacts) for their operations and for their upstream chains of activities (a regulated financial undertaking’s chain of activities with downstream business partners that are receiving services and products are not in scope of CSDDD). Companies are also required to adopt a transition plan for climate change mitigation which aims to ensure, through best efforts, compatibility of the business model and strategy of the company with the transition to a sustainable economy and with the limiting of global warming to 1.5°C. CSDDD will be implemented on a phased-in basis starting three years after CSDDD’s entry into force, dependent on a company’s number of employees and net worldwide or EU turnover, with first reporting expected for financial years starting on or after Jan. 1, 2028. We are assessing the potential impact of the regulation.

## **Website information**

Our website is [www.bnymellon.com](http://www.bnymellon.com). We currently make available the following information under the Investor Relations portion of our website. With respect to filings with the Securities and Exchange Commission (“SEC”), we post such information as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the SEC.

- All of our SEC filings, including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to these reports, as well as proxy statements and SEC Forms 3, 4 and 5;
- Our earnings materials and selected management conference calls and presentations;
- Other regulatory disclosures, including: Pillar 3 Disclosures (and Market Risk Disclosure contained therein); Liquidity Coverage Ratio Disclosures; Net Stable Funding Ratio Disclosures; Federal Financial Institutions Examination Council – Consolidated Reports of Condition and Income for a Bank With Domestic and Foreign Offices; Consolidated Financial Statements for Bank Holding Companies; and the Dodd-Frank Act Stress Test Results for BNY Mellon and The Bank of New York Mellon; and
- Our Corporate Governance Guidelines, Amended and Restated By-Laws, Directors’ Code of Conduct and the Charters of the Audit, Finance, Corporate Governance, Nominating and Social Responsibility, Human Resources and Compensation, Risk and Technology Committees of our Board of Directors.

We may use our website, our X (formerly known as Twitter) account (@BNYMellon) and other social media channels as additional means of disclosing information to the public. The information disclosed through those channels may be considered to be material. The contents of our website or social media channels referenced herein are not incorporated by reference into this Quarterly Report on Form 10-Q.

## Item 1. Financial Statements

### The Bank of New York Mellon Corporation (and its subsidiaries)

#### Consolidated Income Statement (unaudited)

<i>(in millions)</i>	Quarter ended		
	March 31, 2024	Dec. 31, 2023	March 31, 2023
<b>Fee and other revenue</b>			
Investment services fees	\$ 2,278	\$ 2,242	\$ 2,119
Investment management and performance fees	776	743	776
Foreign exchange revenue	152	143	176
Financing-related fees	57	45	52
Distribution and servicing fees	42	41	33
Total fee revenue	3,305	3,214	3,156
Investment and other revenue <i>(a)</i>	182	43	131
Total fee and other revenue <i>(a)</i>	3,487	3,257	3,287
<b>Net interest income</b>			
Interest income	6,096	5,963	3,942
Interest expense	5,056	4,862	2,814
Net interest income	1,040	1,101	1,128
Total revenue <i>(a)</i>	4,527	4,358	4,415
<b>Provision for credit losses</b>	27	84	27
<b>Noninterest expense</b>			
Staff	1,857	1,831	1,791
Software and equipment	475	486	429
Professional, legal and other purchased services	349	406	375
Net occupancy	124	162	119
Sub-custodian and clearing	119	117	118
Distribution and servicing	96	88	85
Business development	36	61	39
Bank assessment charges	17	670	40
Amortization of intangible assets	12	14	14
Other	91	160	90
Total noninterest expense	3,176	3,995	3,100
<b>Income</b>			
Income before income taxes <i>(a)</i>	1,324	279	1,288
Provision for income taxes <i>(a)</i>	297	73	306
Net income <i>(a)</i>	1,027	206	982
Net (income) loss attributable to noncontrolling interests related to consolidated investment management funds	(2)	2	—
Net income applicable to shareholders of The Bank of New York Mellon Corporation <i>(a)</i>	1,025	208	982
Preferred stock dividends	(72)	(46)	(71)
Net income applicable to common shareholders of The Bank of New York Mellon Corporation <i>(a)</i>	\$ 953	\$ 162	\$ 911

*(a) Prior periods were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.*



## The Bank of New York Mellon Corporation (and its subsidiaries)

### Consolidated Income Statement (unaudited) (continued)

Net income applicable to common shareholders of The Bank of New York Mellon Corporation used for the earnings per share calculation <i>(in millions)</i>	Quarter ended		
	March 31, 2024	Dec. 31, 2023	March 31, 2023
Net income applicable to common shareholders of The Bank of New York Mellon Corporation	\$ 953	\$ 162	\$ 911
Less: Earnings allocated to participating securities	—	—	—
Net income applicable to common shareholders of The Bank of New York Mellon Corporation after required adjustment for the calculation of basic and diluted earnings per common share	\$ 953	\$ 162	\$ 911

Average common shares and equivalents outstanding of The Bank of New York Mellon Corporation <i>(in thousands)</i>	Quarter ended		
	March 31, 2024	Dec. 31, 2023	March 31, 2023
Basic	756,937	767,146	803,340
Common stock equivalents	5,331	5,045	4,473
Less: Participating securities	—	(89)	(95)
Diluted	762,268	772,102	807,718
Anti-dilutive securities <i>(a)</i>	1,604	110	4,872

*(a) Represents restricted stock, restricted stock units and participating securities outstanding but not included in the computation of diluted average common shares because their effect would be anti-dilutive.*

Earnings per share applicable to common shareholders of The Bank of New York Mellon Corporation <i>(a)</i> <i>(in dollars)</i>	Quarter ended		
	March 31, 2024	Dec. 31, 2023	March 31, 2023
Basic	\$ 1.26	\$ 0.21	\$ 1.13
Diluted	\$ 1.25	\$ 0.21	\$ 1.13

*(a) Prior periods were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.*

See accompanying unaudited Notes to Consolidated Financial Statements.

Consolidated Comprehensive Income Statement (unaudited)

	Quarter ended		
	March 31, 2024	Dec. 31, 2023	March 31, 2023
<i>(in millions)</i>			
Net income (a)	\$ 1,027	\$ 206	\$ 982
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	(91)	257	103
Unrealized gain (loss) on assets available-for-sale:			
Unrealized gain arising during the period	103	698	317
Reclassification adjustment	1	37	1
Total unrealized gain on assets available-for-sale	104	735	318
Defined benefit plans:			
Net (loss) arising during the period	—	(75)	—
Foreign exchange adjustment	—	(1)	—
Amortization of prior service credit, net loss and initial obligation included in net periodic benefit cost	3	(2)	(3)
Total defined benefit plans	3	(78)	(3)
Net unrealized gain (loss) on cash flow hedges	1	(2)	5
Total other comprehensive income, net of tax (b)	17	912	423
Total comprehensive income	1,044	1,118	1,405
Net (income) loss attributable to noncontrolling interests	(2)	2	—
Other comprehensive loss attributable to noncontrolling interests	—	—	—
Comprehensive income applicable to shareholders of The Bank of New York Mellon Corporation	\$ 1,042	\$ 1,120	\$ 1,405

(a) Prior periods were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

(b) Other comprehensive income (loss) attributable to The Bank of New York Mellon Corporation shareholders was \$17 million for the quarter ended March 31, 2024, \$912 million for the quarter ended Dec. 31, 2023 and \$423 million for the quarter ended March 31, 2023.

See accompanying unaudited Notes to Consolidated Financial Statements.

# The Bank of New York Mellon Corporation (and its subsidiaries)

## Consolidated Balance Sheet (unaudited)

<i>(dollars in millions, except per share amounts)</i>	March 31, 2024	Dec. 31, 2023
<b>Assets</b>		
Cash and due from banks, net of allowance for credit losses of \$30 and \$18	\$ 5,305	\$ 4,922
Interest-bearing deposits with the Federal Reserve and other central banks	119,197	111,550
Interest-bearing deposits with banks, net of allowance for credit losses of \$3 and \$2 (includes restricted of \$1,907 and \$3,420)	10,636	12,139
Federal funds sold and securities purchased under resale agreements	29,661	28,900
Securities:		
Held-to-maturity, at amortized cost, net of allowance for credit losses of less than \$1 and \$1 (fair value of \$43,213 and \$44,711)	48,404	49,578
Available-for-sale, at fair value (amortized cost of \$94,641 and \$80,678, net of allowance for credit losses of \$1 and less than \$1)	90,505	76,817
Total securities	138,909	126,395
Trading assets	10,078	10,058
Loans	73,615	66,879
Allowance for credit losses	(322)	(303)
Net loans	73,293	66,576
Premises and equipment	3,136	3,163
Accrued interest receivable	1,343	1,150
Goodwill	16,228	16,261
Intangible assets	2,839	2,854
Other assets, net of allowance for credit losses on accounts receivable of \$3 and \$3 (includes \$1,437 and \$1,261, at fair value) (a)	24,103	25,909
Total assets (a)	\$ 434,728	\$ 409,877
<b>Liabilities</b>		
Deposits:		
Noninterest-bearing deposits (principally U.S. offices)	\$ 63,405	\$ 58,274
Interest-bearing deposits in U.S. offices	151,540	132,616
Interest-bearing deposits in non-U.S. offices	94,075	92,779
Total deposits	309,020	283,669
Federal funds purchased and securities sold under repurchase agreements	15,112	14,507
Trading liabilities	3,100	6,226
Payables to customers and broker-dealers	19,392	18,395
Other borrowed funds	306	479
Accrued taxes and other expenses (a)	4,395	5,411
Other liabilities (including allowance for credit losses on lending-related commitments of \$81 and \$87, also includes \$70 and \$195, at fair value) (a)	10,245	9,028
Long-term debt	32,396	31,257
Total liabilities (a)	393,966	368,972
<b>Temporary equity</b>		
Redeemable noncontrolling interests	82	85
<b>Permanent equity</b>		
Preferred stock – par value \$0.01 per share; authorized 100,000,000 shares; issued 43,826 and 43,826 shares	4,343	4,343
Common stock – par value \$0.01 per share; authorized 3,500,000,000 shares; issued 1,408,769,769 and 1,402,429,447 shares	14	14
Additional paid-in capital	29,055	28,908
Retained earnings (a)	40,178	39,549
Accumulated other comprehensive loss, net of tax	(4,876)	(4,893)
Less: Treasury stock of 660,953,934 and 643,085,355 common shares, at cost	(28,145)	(27,151)
Total The Bank of New York Mellon Corporation shareholders' equity (a)	40,569	40,770
Nonredeemable noncontrolling interests of consolidated investment management funds	111	50
Total permanent equity (a)	40,680	40,820
Total liabilities, temporary equity and permanent equity (a)	\$ 434,728	\$ 409,877

(a) Prior period balances were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

See accompanying unaudited Notes to Consolidated Financial Statements.

Consolidated Statement of Cash Flows (unaudited)

(in millions)	Three months ended March 31,	
	2024	2023
<b>Operating activities</b>		
Net income (a)	\$ 1,027	\$ 982
Net (income) loss attributable to noncontrolling interests	(2)	—
Net income applicable to shareholders of The Bank of New York Mellon Corporation (a)	1,025	982
Adjustments to reconcile net income to net cash provided by (used for) operating activities:		
Provision for credit losses	27	27
Pension plan contributions	(2)	(1)
Depreciation and amortization	468	351
Deferred tax expense	13	2
Net securities losses	1	1
Change in trading assets and liabilities	(3,264)	989
Change in accruals and other, net (a)	(948)	(559)
Net cash (used for) provided by operating activities	(2,680)	1,792
<b>Investing activities</b>		
Change in interest-bearing deposits with banks	(280)	(25)
Change in interest-bearing deposits with the Federal Reserve and other central banks	(8,698)	(24,908)
Purchases of securities held-to-maturity	(243)	(273)
Paydowns of securities held-to-maturity	965	1,063
Maturities of securities held-to-maturity	708	811
Purchases of securities available-for-sale	(18,770)	(8,917)
Sales of securities available-for-sale	1,160	6,581
Paydowns of securities available-for-sale	1,191	904
Maturities of securities available-for-sale	4,498	5,229
Net change in loans	(6,777)	3,714
Change in federal funds sold and securities purchased under resale agreements	(766)	(2,599)
Net change in seed capital investments	45	6
Purchases of premises and equipment/capitalized software	(299)	(261)
Other, net	525	923
Net cash (used for) investing activities	(26,741)	(17,752)
<b>Financing activities</b>		
Change in deposits	27,030	760
Change in federal funds purchased and securities sold under repurchase agreements	603	14,231
Change in payables to customers and broker-dealers	997	(826)
Change in other borrowed funds	(160)	2,141
Net proceeds from the issuance of long-term debt	2,496	1,498
Repayments, redemptions and repurchases of long-term debt	(1,150)	(1,750)
Issuance of common stock	4	3
Treasury stock acquired	(988)	(1,256)
Common cash dividends paid	(324)	(304)
Preferred cash dividends paid	(72)	(71)
Other, net	(3)	(13)
Net cash provided by financing activities	28,433	14,413
Effect of exchange rate changes on cash	(142)	41
<b>Change in cash and due from banks and restricted cash</b>		
Change in cash and due from banks and restricted cash	(1,130)	(1,506)
Cash and due from banks and restricted cash at beginning of period	8,342	11,529
Cash and due from banks and restricted cash at end of period	\$ 7,212	\$ 10,023
<b>Cash and due from banks and restricted cash</b>		
Cash and due from banks at end of period (unrestricted cash)	\$ 5,305	\$ 5,564
Restricted cash at end of period	1,907	4,459
Cash and due from banks and restricted cash at end of period	\$ 7,212	\$ 10,023
<b>Supplemental disclosures</b>		
Interest paid	\$ 4,955	\$ 2,671
Income taxes paid	132	160
Income taxes refunded	12	2

(a) Prior period was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

See accompanying unaudited Notes to Consolidated Financial Statements.

Consolidated Statement of Changes in Equity (unaudited)

<i>(in millions, except per share amount)</i>	The Bank of New York Mellon Corporation shareholders						Nonredeemable noncontrolling interests of consolidated investment management funds	Total permanent equity	Redeemable noncontrolling interests/temporary equity
	Preferred stock	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive (loss), net of tax	Treasury stock			
Balance at Dec. 31, 2023 <i>(a)</i>	\$ 4,343	\$ 14	\$ 28,908	\$ 39,549	\$ (4,893)	\$(27,151)	\$ 50	\$ 40,820 <i>(b)</i>	\$ 85
Shares issued to shareholders of noncontrolling interests	—	—	—	—	—	—	—	—	10
Redemption of subsidiary shares from noncontrolling interests	—	—	—	—	—	—	—	—	(17)
Other net changes in noncontrolling interests	—	—	(5)	—	—	—	59	54	5
Net income	—	—	—	1,025	—	—	2	1,027	—
Other comprehensive income	—	—	—	—	17	—	—	17	—
Dividends:									
Common stock at \$0.42 per share <i>(c)</i>	—	—	—	(324)	—	—	—	(324)	—
Preferred stock	—	—	—	(72)	—	—	—	(72)	—
Repurchase of common stock	—	—	—	—	—	(988)	—	(988)	—
Common stock issued under employee benefit plans	—	—	7	—	—	—	—	7	—
Stock-based compensation	—	—	168	—	—	—	—	168	—
Excise tax on share repurchases	—	—	—	—	—	(6)	—	(6)	—
Other	—	—	(23)	—	—	—	—	(23)	(1)
<b>Balance at March 31, 2024</b>	<b>\$ 4,343</b>	<b>\$ 14</b>	<b>\$ 29,055</b>	<b>\$ 40,178</b>	<b>\$ (4,876)</b>	<b>\$(28,145)</b>	<b>\$ 111</b>	<b>\$ 40,680 <i>(b)</i></b>	<b>\$ 82</b>

*(a)* Retained earnings was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

*(b)* Includes total The Bank of New York Mellon Corporation common shareholders' equity of \$36,427 million at Dec. 31, 2023 and \$36,226 million at March 31, 2024.

*(c)* Includes dividend equivalents on share-based awards.

Consolidated Statement of Changes in Equity (unaudited) (continued)

<i>(in millions, except per share amount)</i>	The Bank of New York Mellon Corporation shareholders						Nonredeemable noncontrolling interests of consolidated investment management funds	Total permanent equity	Redeemable noncontrolling interests/temporary equity
	Preferred stock	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive (loss), net of tax	Treasury stock			
Balance at Sept. 30, 2023 <i>(a)</i>	\$ 4,838	\$ 14	\$ 28,793	\$ 39,714	\$ (5,805)	\$(26,696)	\$ 56	\$ 40,914 <i>(b)</i>	\$ 109
Shares issued to shareholders of noncontrolling interests	—	—	—	—	—	—	—	—	11
Redemption of subsidiary shares from noncontrolling interests	—	—	—	—	—	—	—	—	(20)
Other net changes in noncontrolling interests	—	—	21	—	—	—	(4)	17	(18)
Net income	—	—	—	208	—	—	(2)	206	—
Other comprehensive income	—	—	—	—	912	—	—	912	—
Dividends:									
Common stock at \$0.42 per share <i>(c)</i>	—	—	—	(328)	—	—	—	(328)	—
Preferred stock	—	—	—	(36)	—	—	—	(36)	—
Repurchase of common stock	—	—	—	—	—	(450)	—	(450)	—
Common stock issued under employee benefit plans	—	—	5	—	—	—	—	5	—
Preferred stock redemption	(500)	—	—	—	—	—	—	(500)	—
Stock-based compensation	—	—	89	—	—	—	—	89	—
Amortization of preferred stock discount	5	—	—	(5)	—	—	—	—	—
Excise tax of share repurchases	—	—	—	—	—	(5)	—	(5)	—
Excise tax of preferred stock redemption	—	—	—	(5)	—	—	—	(5)	—
Other	—	—	—	1	—	—	—	1	3
Balance at Dec. 31, 2023 <i>(a)</i>	\$ 4,343	\$ 14	\$ 28,908	\$ 39,549	\$ (4,893)	\$(27,151)	\$ 50	\$ 40,820 <i>(b)</i>	\$ 85

- (a)* Retained earnings was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.
- (b)* Includes total The Bank of New York Mellon Corporation common shareholders' equity of \$36,020 million at Sept. 30, 2023 and \$36,427 million at Dec. 31, 2023.
- (c)* Includes dividend equivalents on share-based awards.

# The Bank of New York Mellon Corporation (and its subsidiaries)

## Consolidated Statement of Changes in Equity (unaudited) (continued)

<i>(in millions, except per share amount)</i>	The Bank of New York Mellon Corporation shareholders						Nonredeemable noncontrolling interests of consolidated investment management funds	Total permanent equity	Redeemable noncontrolling interests/temporary equity
	Preferred stock	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive (loss), net of tax	Treasury stock			
Balance at Dec. 31, 2022 <i>(a)</i>	\$ 4,838	\$ 14	\$ 28,508	\$ 37,743	\$ (5,966)	\$(24,524)	\$ 7	\$ 40,620 <i>(b)</i>	\$ 109
Shares issued to shareholders of noncontrolling interests	—	—	—	—	—	—	—	—	10
Redemption of subsidiary shares from noncontrolling interests	—	—	—	—	—	—	—	—	(34)
Other net changes in noncontrolling interests	—	—	(8)	—	—	—	65	57	9
Net income	—	—	—	982	—	—	—	982	—
Other comprehensive income	—	—	—	—	423	—	—	423	—
Dividends:									
Common stock at \$0.37 per share <i>(c)</i>	—	—	—	(304)	—	—	—	(304)	—
Preferred stock	—	—	—	(71)	—	—	—	(71)	—
Repurchase of common stock	—	—	—	—	—	(1,256)	—	(1,256)	—
Common stock issued under employee benefit plans	—	—	5	—	—	—	—	5	—
Stock-based compensation	—	—	145	—	—	—	—	145	—
Excise tax of share repurchases	—	—	—	—	—	(10)	—	(10)	—
Other	—	—	—	—	—	—	—	—	2
Balance at March 31, 2023 <i>(a)</i>	\$ 4,838	\$ 14	\$ 28,650	\$ 38,350	\$ (5,543)	\$(25,790)	\$ 72	\$ 40,591 <i>(b)</i>	\$ 96

*(a)* Retained earnings was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 of the Notes to Consolidated Financial Statements for additional information.

*(b)* Includes total The Bank of New York Mellon Corporation common shareholders' equity of \$35,775 million at Dec. 31, 2022 and \$35,681 million at March 31, 2023.

*(c)* Includes dividend equivalents on share-based awards.

See accompanying unaudited Notes to Consolidated Financial Statements.

### Note 1—Basis of presentation

In this Quarterly Report on Form 10-Q, references to “our,” “we,” “us,” “BNY Mellon,” the “Company” and similar terms refer to The Bank of New York Mellon Corporation and its consolidated subsidiaries. The term “Parent” refers to The Bank of New York Mellon Corporation but not to its subsidiaries.

#### *Basis of presentation*

The accounting and financial reporting policies of BNY Mellon, a global financial services company, conform to U.S. generally accepted accounting principles (“GAAP”) and prevailing industry practices. For information on our significant accounting and reporting policies, see Note 1 of the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended Dec. 31, 2023 (the “2023 Annual Report”).

The accompanying consolidated financial statements are unaudited. In the opinion of management, all adjustments necessary, consisting of normal recurring adjustments, for a fair presentation of financial position, results of operations and cash flows for the periods presented have been made. These financial statements should be read in conjunction with our Consolidated Financial Statements included in our 2023 Annual Report.

On Jan. 1, 2024, we adopted Accounting Standards Update (“ASU”) 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method* on a retrospective basis for our investments in renewable energy projects that have met the eligibility criteria, and restated prior period financial statements. See Note 2 for additional information.

#### *Use of estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates based upon assumptions about future economic and market conditions which affect reported amounts and related disclosures in our

financial statements. Although our current estimates contemplate current conditions and how we expect them to change in the future, it is reasonably possible that actual conditions could be worse than anticipated in those estimates, which could materially affect our results of operations and financial condition.

### Note 2—New accounting guidance

The following accounting guidance was adopted on Jan. 1, 2024.

#### *ASU 2023-02, Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*

In March 2023, the Financial Accounting Standards Board (“FASB”) issued ASU 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*, which permits reporting entities to elect to account for their tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. Under the proportional amortization method, an entity amortizes the initial cost of the investment in proportion to the income tax credits and other income tax benefits received, and recognizes the net amortization and income tax credits and other income tax benefits in the income statement as a component of the provision for income taxes.

We adopted this guidance on Jan. 1, 2024. The impact of adopting this new guidance for our renewable energy investments that met the eligibility criteria was an increase in investment and other revenue and an increase in the provision for income taxes on the consolidated income statement. Renewable energy investments are recorded in other assets on the balance sheet. In the first quarter of 2024, we restated the prior period financial statements to reflect the impact of the retrospective application of the new accounting guidance. The required disclosures are included in Note 7.



The table below presents the impact of the new accounting guidance on our previously reported income statement amounts.

<b>Consolidated Income Statement</b>	Previously reported		Adjustment		Restated	
	<i>(in millions)</i>					
	4Q23	1Q23	4Q23	1Q23	4Q23	1Q23
Investment and other revenue	\$ (4)	\$ 79	\$ 47	\$ 52	\$ 43	\$ 131
Total fee and other revenue	3,210	3,235	47	52	3,257	3,287
Total revenue	4,311	4,363	47	52	4,358	4,415
Income before income taxes	232	1,236	47	52	279	1,288
Provision for income taxes	29	260	44	46	73	306
Net income	203	976	3	6	206	982
Net income applicable to shareholders of The Bank of New York Mellon Corporation	205	976	3	6	208	982
Net income applicable to common shareholders of The Bank of New York Mellon Corporation	159	905	3	6	162	911

The table below presents the impact of the new accounting guidance on our previously reported earnings per share applicable to common shareholders.

<b>Earnings per share applicable to common shareholders of The Bank of New York Mellon Corporation</b>	Previously reported		Restated	
	<i>(in dollars)</i>			
	4Q23	1Q23	4Q23	1Q23
Basic	\$ 0.21	\$ 1.13	\$ 0.21	\$ 1.13
Diluted	0.21	1.12	0.21	1.13

The table below presents the impact of the new accounting guidance on our previously reported balance sheet amounts.

<b>Consolidated Balance Sheet</b>	Dec. 31, 2023		
	<i>(in millions)</i>		
	Previously reported	Adjustment	Restated
Other assets	\$ 25,985	\$ (76)	\$ 25,909
Total assets	409,953	(76)	409,877
Accrued taxes and other expenses	5,567	(156)	5,411
Other liabilities	8,844	184	9,028
Total liabilities	368,944	28	368,972
Retained earnings	39,653	(104)	39,549
Total The Bank of New York Mellon Corporation shareholders' equity	40,874	(104)	40,770
Total permanent equity	40,924	(104)	40,820
Total liabilities, temporary equity and permanent equity	409,953	(76)	409,877

### Note 3—Acquisitions and dispositions

We sometimes structure our acquisitions and divestitures with both an initial payment or receipt and later contingent payments or receipts tied to post-closing revenue or income growth.

At March 31, 2024, we are potentially obligated to pay additional consideration which is recorded at fair value totaling approximately \$20 million and, using reasonable assumptions and estimates, could range from \$15 million to \$20 million over the next year.

Contingent payments totaled \$5 million in the first three months of 2024 and we recorded \$1 million of increases to contingent earnout payables reflected in other expense.

At March 31, 2024, we could potentially receive additional consideration which is recorded at fair value totaling approximately \$30 million and, using reasonable assumptions and estimates, could range from \$20 million to \$45 million over the next four years. There were no contingent receipts in the first three months of 2024.

See Note 3 of the Notes to Consolidated Financial Statements in our 2023 Annual Report for additional information.

#### Note 4—Securities

The following tables present the amortized cost, the gross unrealized gains and losses and the fair value of securities at March 31, 2024 and Dec. 31, 2023.

Securities at March 31, 2024		Gross unrealized		Fair value
(in millions)	Amortized cost	Gains	Losses	
<b>Available-for-sale:</b>				
Non-U.S. government (a)	\$ 24,988	\$ 40	\$ 711	\$ 24,317
U.S. Treasury	21,960	52	1,824	20,188
Agency residential mortgage-backed securities (“RMBS”)	17,000	109	492	16,617
Agency commercial mortgage-backed securities (“MBS”)	8,083	63	562	7,584
Foreign covered bonds	7,420	17	176	7,261
Collateralized loan obligations (“CLOs”)	6,255	11	1	6,265
Non-agency commercial MBS	3,219	2	287	2,934
U.S. government agencies	2,887	37	188	2,736
Non-agency RMBS	1,852	30	179	1,703
Other asset-backed securities (“ABS”)	976	—	77	899
Other debt securities	1	—	—	1
Total securities available-for-sale (b)(c)	\$ 94,641	\$ 361	\$ 4,497	\$ 90,505
<b>Held-to-maturity:</b>				
Agency RMBS	\$ 28,805	\$ 2	\$ 3,791	\$ 25,016
U.S. Treasury	8,763	—	617	8,146
U.S. government agencies	4,144	—	414	3,730
Agency commercial MBS	3,581	—	304	3,277
Non-U.S. government (a)	2,093	—	66	2,027
CLOs	983	—	—	983
Non-agency RMBS	24	1	1	24
Other debt securities	11	—	1	10
Total securities held-to-maturity	\$ 48,404	\$ 3	\$ 5,194	\$ 43,213
Total securities	\$ 143,045	\$ 364	\$ 9,691	\$ 133,718

- (a) Includes supranational securities.
- (b) The amortized cost of available-for-sale is net of the allowance for credit losses of \$1 million. The allowance for credit loss relates to non-agency RMBS.
- (c) Includes gross unrealized gains of \$230 million and gross unrealized losses of \$138 million recorded in accumulated other comprehensive income related to securities that were transferred from available-for-sale to held-to-maturity. The unrealized gains primarily relate to agency RMBS, agency commercial MBS and U.S. Treasury securities. The unrealized losses primarily relate to agency RMBS and U.S. Treasury securities. The unrealized gains and losses will be amortized into net interest income over the contractual lives of the securities.

Securities at Dec. 31, 2023		Gross unrealized		Fair value
(in millions)	Amortized cost	Gains	Losses	
<b>Available-for-sale:</b>				
Non-U.S. government (a)	\$ 18,998	\$ 68	\$ 684	\$ 18,382
U.S. Treasury	18,193	63	1,652	16,604
Agency RMBS	13,457	119	465	13,111
Agency commercial MBS	8,191	69	531	7,729
Foreign covered bonds	6,489	25	180	6,334
CLOs	6,142	5	10	6,137
Non-agency commercial MBS	3,245	1	311	2,935
U.S. government agencies	3,053	42	194	2,901
Non-agency RMBS	1,883	32	175	1,740
Other ABS	1,026	1	84	943
Other debt securities	1	—	—	1
Total securities available-for-sale (b)(c)	\$ 80,678	\$ 425	\$ 4,286	\$ 76,817
<b>Held-to-maturity:</b>				
Agency RMBS	\$ 29,740	\$ 1	\$ 3,493	\$ 26,248
U.S. Treasury	9,123	—	612	8,511
U.S. government agencies	4,146	—	401	3,745
Agency commercial MBS	3,411	1	296	3,116
Non-U.S. government (a)	2,137	3	67	2,073
CLOs	983	—	1	982
Non-agency RMBS	26	1	1	26
Other debt securities	12	—	2	10
Total securities held-to-maturity	\$ 49,578	\$ 6	\$ 4,873	\$ 44,711
Total securities	\$ 130,256	\$ 431	\$ 9,159	\$ 121,528

- (a) Includes supranational securities.
- (b) The amortized cost of available-for-sale securities is net of the allowance for credit losses of less than \$1 million. The allowance for credit loss primarily relates to non-agency RMBS.
- (c) Includes gross unrealized gains of \$250 million and gross unrealized losses of \$146 million recorded in accumulated other comprehensive income related to securities that were transferred from available-for-sale to held-to-maturity. The unrealized gains primarily relate to agency RMBS, agency commercial MBS, and U.S. Treasury securities. The unrealized losses primarily relate to agency RMBS and U.S. Treasury securities. The unrealized gains and losses will be amortized into net interest income over the contractual lives of the securities.

The following table presents the realized gains and losses, on a gross basis.

Net securities gains (losses)			
(in millions)	1Q24	4Q23	1Q23
Realized gross gains	\$ 4	\$ 1	\$ 14
Realized gross losses	(5)	(49)	(15)
Total net securities (losses)	\$ (1)	\$ (48)	\$ (1)

The following table presents pre-tax net securities gains (losses) by type.

Net securities gains (losses) (in millions)	1Q24	4Q23	1Q23
U.S. Treasury	\$ (1)	\$ (49)	\$ (8)
Non-agency RMBS	—	—	2
Other	—	1	5
<b>Total net securities (losses)</b>	<b>\$ (1)</b>	<b>\$ (48)</b>	<b>\$ (1)</b>

#### Allowance for credit losses – Securities

The allowance for credit losses related to securities was \$1 million at March 31, 2024 and \$1 million at Dec. 31, 2023, and relates to non-agency RMBS and other debt securities.

#### Credit quality indicators – Securities

At March 31, 2024, the gross unrealized losses on the securities portfolio were primarily attributable to an increase in interest rates from the date of purchase, and for certain securities that were transferred from available-for-sale to held-to-maturity, an increase in interest rates through the date they were transferred. Specifically, \$138 million of the unrealized losses at March 31, 2024 and \$146 million at Dec. 31, 2023 reflected in the tables below relate to certain securities that were previously transferred from available-for-sale to held-to-maturity. As the transfers created a new cost basis for the securities, if these securities have experienced unrealized losses since the date of transfer, the corresponding unrealized losses would be reflected in the held-to-maturity securities portfolio in the following tables.

The following tables show the aggregate fair value of available-for-sale securities with a continuous unrealized loss position for less than 12 months and those that have been in a continuous unrealized loss position for 12 months or more without an allowance for credit losses.

Available-for-sale securities in an unrealized loss position without an allowance for credit losses at March 31, 2024 (in millions)	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury	\$ 4,973	\$ 43	\$ 15,046	\$ 1,781	\$ 20,019	\$ 1,824
Non-U.S. government (a)	7,130	54	11,188	657	18,318	711
Agency RMBS	6,326	59	6,873	433	13,199	492
Agency commercial MBS	262	6	6,965	556	7,227	562
Foreign covered bonds	1,280	5	3,020	171	4,300	176
Non-agency commercial MBS	58	—	2,604	287	2,662	287
U.S. government agencies	704	10	1,551	178	2,255	188
Non-agency RMBS	89	1	1,196	176	1,285	177
CLOs	912	—	335	1	1,247	1
Other ABS	—	—	790	77	790	77
<b>Total securities available-for-sale (b)</b>	<b>\$ 21,734</b>	<b>\$ 178</b>	<b>\$ 49,568</b>	<b>\$ 4,317</b>	<b>\$ 71,302</b>	<b>\$ 4,495</b>

(a) Includes supranational securities.

(b) Includes \$138 million of gross unrealized losses for 12 months or more recorded in accumulated other comprehensive income related to securities that were transferred from available-for-sale to held-to-maturity. There were no gross unrealized losses for less than 12 months. The unrealized losses are primarily related to agency RMBS and U.S. Treasury securities and will be amortized into net interest income over the contractual lives of the securities.

Available-for-sale securities in an unrealized loss position without an allowance for credit losses at Dec. 31, 2023 (in millions)	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury	\$ 694	\$ 48	\$ 14,862	\$ 1,604	\$ 15,556	\$ 1,652
Non-U.S. government (a)	2,756	24	11,767	660	14,523	684
Agency RMBS	2,753	27	6,793	438	9,546	465
Agency commercial MBS	328	5	7,060	526	7,388	531
CLOs	784	—	3,158	10	3,942	10
Foreign covered bonds	268	1	3,603	179	3,871	180
Non-agency commercial MBS	187	2	2,607	309	2,794	311
U.S. government agencies	573	4	1,779	190	2,352	194
Non-agency RMBS	30	1	1,300	174	1,330	175
Other ABS	—	—	832	84	832	84
<b>Total securities available-for-sale (b)</b>	<b>\$ 8,373</b>	<b>\$ 112</b>	<b>\$ 53,761</b>	<b>\$ 4,174</b>	<b>\$ 62,134</b>	<b>\$ 4,286</b>

(a) Includes supranational securities.

(b) Includes \$146 million of gross unrealized losses for 12 months or more recorded in accumulated other comprehensive income related to securities that were transferred from available-for-sale to held-to-maturity. There were no gross unrealized losses for less than 12 months. The unrealized losses are primarily related to agency RMBS and U.S. Treasury securities and will be amortized into net interest income over the contractual lives of the securities.

The following tables show the credit quality of the held-to-maturity securities. We have included certain credit ratings information because the information can indicate the degree of credit risk to which we are exposed. Significant changes in ratings classifications could indicate increased credit risk for us and could be accompanied by an increase in the allowance for credit losses and/or a reduction in the fair value of our securities portfolio.

Held-to-maturity securities portfolio at March 31, 2024 (dollars in millions)	Amortized cost	Net unrealized gain (loss)	Ratings (a)				
			AAA/AA-	A+/A-	BBB+/BBB-	BB+ and lower	Not rated
Agency RMBS	\$ 28,805	\$ (3,789)	100%	—%	—%	—%	—%
U.S. Treasury	8,763	(617)	100	—	—	—	—
U.S. government agencies	4,144	(414)	100	—	—	—	—
Agency commercial MBS	3,581	(304)	100	—	—	—	—
Non-U.S. government (b)(c)	2,093	(66)	100	—	—	—	—
CLOs	983	—	100	—	—	—	—
Non-agency RMBS	24	—	24	55	2	17	2
Other debt securities	11	(1)	—	—	—	—	100
<b>Total held-to-maturity securities</b>	<b>\$ 48,404</b>	<b>\$ (5,191)</b>	<b>100%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>

(a) Represents ratings by Standard & Poor's ("S&P") or the equivalent.

(b) Includes supranational securities.

(c) Primarily consists of exposure to Germany, France, UK and the Netherlands.

**Notes to Consolidated Financial Statements** (continued)

**Held-to-maturity securities portfolio at Dec. 31, 2023**

<i>(dollars in millions)</i>	Amortized cost	Net unrealized gain (loss)	Ratings <i>(a)</i>				
			AAA/AA-	A+/A-	BBB+/BBB-	BB+ and lower	Not rated
Agency RMBS	\$ 29,740	\$ (3,492)	100%	—%	—%	—%	—%
U.S. Treasury	9,123	(612)	100	—	—	—	—
U.S. government agencies	4,146	(401)	100	—	—	—	—
Agency commercial MBS	3,411	(295)	100	—	—	—	—
Non-U.S. government <i>(b)(c)</i>	2,137	(64)	100	—	—	—	—
CLOs	983	(1)	100	—	—	—	—
Non-agency RMBS	26	—	25	54	2	17	2
Other debt securities	12	(2)	—	—	—	—	100
<b>Total held-to-maturity securities</b>	<b>\$ 49,578</b>	<b>\$ (4,867)</b>	<b>100%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>	<b>—%</b>

*(a) Represents ratings by S&P or the equivalent.*

*(b) Includes supranational securities.*

*(c) Primarily consists of exposure to Germany, France, UK and the Netherlands.*

**Maturity distribution**

The following table shows the maturity distribution by carrying amount and yield (on a tax equivalent basis) of our securities portfolio.

<b>Maturity distribution and yields on securities at March 31, 2024</b> <i>(dollars in millions)</i>	Within 1 year		1-5 years		5-10 years		After 10 years		Total	
	Amount	Yield <i>(a)</i>	Amount	Yield <i>(a)</i>	Amount	Yield <i>(a)</i>	Amount	Yield <i>(a)</i>	Amount	Yield <i>(a)</i>
<b>Available-for-sale:</b>										
U.S. Treasury	\$ 3,061	1.74%	\$ 12,520	1.75%	\$ 2,650	3.06%	\$ 1,957	2.92%	\$ 20,188	2.04%
Non-U.S. government <i>(b)</i>	4,826	2.37	16,482	3.00	2,868	2.36	141	3.08	24,317	2.80
Foreign covered bonds	1,279	3.55	5,557	3.39	425	2.20	—	—	7,261	3.34
U.S. government agencies	50	1.51	1,692	3.82	886	2.81	108	2.75	2,736	3.38
Other debt securities	—	—	—	—	—	—	1	4.85	1	4.85
<b>Mortgage-backed securities:</b>										
Agency RMBS									16,617	5.13
Non-agency RMBS									1,703	4.46
Agency commercial MBS									7,584	3.04
Non-agency commercial MBS									2,934	3.47
CLOs									6,265	6.80
Other ABS									899	2.42
<b>Total securities available-for-sale</b>	<b>\$ 9,216</b>	<b>2.32%</b>	<b>\$ 36,251</b>	<b>2.65%</b>	<b>\$ 6,829</b>	<b>2.68%</b>	<b>\$ 2,207</b>	<b>2.92%</b>	<b>\$ 90,505</b>	<b>3.44%</b>
<b>Held-to-maturity:</b>										
U.S. Treasury	\$ 2,816	1.55%	\$ 5,137	1.21%	\$ 810	1.07%	\$ —	—%	\$ 8,763	1.30%
U.S. government agencies	555	1.34	2,827	1.46	549	1.69	213	1.99	4,144	1.50
Non-U.S. government <i>(b)</i>	896	0.97	1,121	1.29	76	0.59	—	—	2,093	1.13
Other debt securities	—	—	—	—	11	4.75	—	—	11	4.75
<b>Mortgage-backed securities:</b>										
Agency RMBS									28,805	2.33
Non-agency RMBS									24	4.42
Agency commercial MBS									3,581	2.57
CLOs									983	6.72
<b>Total securities held-to-maturity</b>	<b>\$ 4,267</b>	<b>1.40%</b>	<b>\$ 9,085</b>	<b>1.30%</b>	<b>\$ 1,446</b>	<b>1.31%</b>	<b>\$ 213</b>	<b>1.99%</b>	<b>\$ 48,404</b>	<b>2.13%</b>
<b>Total securities</b>	<b>\$ 13,483</b>	<b>2.03%</b>	<b>\$ 45,336</b>	<b>2.39%</b>	<b>\$ 8,275</b>	<b>2.46%</b>	<b>\$ 2,420</b>	<b>2.85%</b>	<b>\$138,909</b>	<b>3.00%</b>

*(a) Yields are based upon the amortized cost of securities and consider the contractual coupon, amortization of premiums and accretion of discounts, excluding the effect of related hedging derivatives.*

*(b) Includes supranational securities.*

*Pledged assets*

At March 31, 2024, BNY Mellon had pledged assets of \$145 billion, including \$96 billion pledged as collateral for potential borrowings at the Federal Reserve Discount Window and \$9 billion pledged as collateral for borrowing at the Federal Home Loan Bank. The components of the assets pledged at March 31, 2024 included \$127 billion of securities, \$13 billion of loans, \$4 billion of trading assets and \$1 billion of interest-bearing deposits with banks.

If there has been no borrowing at the Federal Reserve Discount Window, the Federal Reserve generally allows banks to freely move assets in and out of their pledged assets account to sell or repledge the assets for other purposes. BNY Mellon regularly moves assets in and out of its pledged assets account at the Federal Reserve as there have been no borrowings.

At Dec. 31, 2023, BNY Mellon had pledged assets of \$134 billion, including \$93 billion pledged as collateral for potential borrowing at the Federal Reserve Discount Window and \$9 billion pledged as collateral for borrowing at the Federal Home Loan Bank. The components of the assets pledged at Dec. 31, 2023 included \$116 billion of securities, \$13 billion of loans, \$4 billion of trading assets and \$1 billion of interest-bearing deposits with banks.

At March 31, 2024 and Dec. 31, 2023, pledged assets included \$26 billion and \$24 billion, respectively, for which the recipients were permitted to sell or repledge the assets delivered.

We also obtain securities as collateral, including receipts under resale agreements, securities borrowed, derivative contracts and custody agreements, on terms which permit us to sell or repledge the securities to others. At March 31, 2024 and Dec. 31, 2023, the market value of the securities received that can be sold or repledged was \$217 billion and \$212 billion, respectively. We routinely sell or repledge these securities through delivery to third parties. As of March 31, 2024 and Dec. 31, 2023, the market value of securities collateral sold or repledged was \$197 billion and \$180 billion, respectively.

*Restricted cash and securities*

Cash and securities may be segregated under federal and other regulations or requirements. At March 31, 2024 and Dec. 31, 2023, cash segregated under federal and other regulations or requirements was \$2 billion and \$3 billion, respectively. Restricted cash is primarily included in interest-bearing deposits with banks on the consolidated balance sheet. Securities segregated under federal and other regulations or requirements were \$5 billion at March 31, 2024 and \$3 billion at Dec. 31, 2023. Restricted securities were sourced from securities purchased under resale agreements and are included in federal funds sold and securities purchased under resale agreements on the consolidated balance sheet.

**Note 5—Loans and asset quality**

*Loans*

The table below provides the details of our loan portfolio.

<b>Loans</b> <i>(in millions)</i>	<b>March 31, 2024</b>	Dec. 31, 2023
Commercial	<b>\$ 2,463</b>	\$ 2,112
Commercial real estate	<b>6,997</b>	6,760
Financial institutions	<b>12,059</b>	10,521
Lease financings	<b>599</b>	599
Wealth management loans	<b>9,028</b>	9,109
Wealth management mortgages	<b>9,088</b>	9,131
Other residential mortgages	<b>1,147</b>	1,166
Capital call financing	<b>3,987</b>	3,700
Other	<b>2,723</b>	2,717
Overdrafts	<b>7,947</b>	3,053
Margin loans	<b>17,577</b>	18,011
<b>Total loans (a)</b>	<b>\$ 73,615</b>	\$ 66,879

(a) *Net of unearned income of \$258 million at March 31, 2024 and \$268 million at Dec. 31, 2023 primarily related to lease financings.*

We disclose information related to our loans and asset quality by the class of the financing receivable in the following tables.

**Allowance for credit losses**

Activity in the allowance for credit losses on loans and lending-related commitments is presented below. This does not include activity in the allowance for credit losses related to other financial instruments, including cash and due from banks, interest-bearing deposits with banks, federal funds sold and securities purchased under resale agreements, available-for-sale securities, held-to-maturity securities and accounts receivable.

**Allowance for credit losses activity for the quarter ended March 31, 2024**

<i>(in millions)</i>	Commercial	Commercial real estate	Financial institutions	Lease financings	Wealth management loans	Wealth management mortgages	Other residential mortgages	Capital call financing	Total
Beginning balance	\$ 27	\$ 325	\$ 19	\$ 1	\$ 1	\$ 9	\$ 4	\$ 4	\$ 390
Charge-offs	—	—	—	—	—	(1)	—	—	(1)
Recoveries	—	—	—	—	—	—	—	—	—
Net (charge-offs)	—	—	—	—	—	(1)	—	—	(1)
Provision <i>(a)</i>	(3)	22	(2)	(1)	—	(1)	(1)	—	14
Ending balance	\$ 24	\$ 347	\$ 17	\$ —	\$ 1	\$ 7	\$ 3	\$ 4	\$ 403
Allowance for:									
Loan losses	\$ 14	\$ 287	\$ 8	\$ —	\$ 1	\$ 6	\$ 3	\$ 3	\$ 322
Lending-related commitments	10	60	9	—	—	1	—	1	81
Individually evaluated for impairment:									
Loan balance <i>(b)</i>	\$ —	\$ 331	\$ —	\$ —	\$ —	\$ 16	\$ 1	\$ —	\$ 348
Allowance for loan losses	—	107	—	—	—	—	—	—	107

*(a)* Does not include the provision for credit losses related to other financial instruments of \$13 million for the quarter ended March 31, 2024.

*(b)* Includes collateral-dependent loans of \$348 million with \$303 million of collateral value.

**Allowance for credit losses activity for the quarter ended Dec. 31, 2023**

<i>(in millions)</i>	Commercial	Commercial real estate	Financial institutions	Lease financings	Wealth management loans	Wealth management mortgages	Other residential mortgages	Capital call financing	Other	Total
Beginning balance	\$ 32	\$ 222	\$ 22	\$ 1	\$ 1	\$ 9	\$ 6	\$ 3	\$ —	\$ 296
Charge-offs	—	—	—	—	—	—	—	—	—	—
Recoveries	—	—	—	—	—	—	—	—	5	5
Net recoveries	—	—	—	—	—	—	—	—	5	5
Provision <i>(a)</i>	(5)	103	(3)	—	—	—	(2)	1	(5)	89
Ending balance	\$ 27	\$ 325	\$ 19	\$ 1	\$ 1	\$ 9	\$ 4	\$ 4	\$ —	\$ 390
Allowance for:										
Loan losses	\$ 12	\$ 266	\$ 9	\$ 1	\$ 1	\$ 8	\$ 4	\$ 2	\$ —	\$ 303
Lending-related commitments	15	59	10	—	—	1	—	2	—	87
Individually evaluated for impairment:										
Loan balance <i>(b)</i>	\$ —	\$ 290	\$ —	\$ —	\$ —	\$ 12	\$ 1	\$ —	\$ —	\$ 303
Allowance for loan losses	—	76	—	—	—	—	—	—	—	76

*(a)* Does not include the provision for credit losses benefit related to other financial instruments of \$5 million for the quarter ended Dec. 31, 2023.

*(b)* Includes collateral-dependent loans of \$303 million with \$348 million of collateral at fair value.

## Notes to Consolidated Financial Statements (continued)

### Allowance for credit losses activity for the quarter ended March 31, 2023

<i>(in millions)</i>	Commercial	Commercial real estate	Financial institutions	Lease financings	Wealth management loans	Wealth management mortgages	Other residential mortgages	Capital call financing	Total
Beginning balance	\$ 18	\$ 184	\$ 24	\$ 1	\$ 1	\$ 12	\$ 8	\$ 6	\$ 254
Charge-offs	—	—	—	—	—	—	—	—	—
Recoveries	1	—	—	—	—	—	—	—	1
Net recoveries	1	—	—	—	—	—	—	—	1
Provision (a)	2	(7)	—	—	—	2	1	—	(2)
Ending balance	\$ 21	\$ 177	\$ 24	\$ 1	\$ 1	\$ 14	\$ 9	\$ 6	\$ 253
Allowance for:									
Loan losses	\$ 4	\$ 130	\$ 8	\$ 1	\$ 1	\$ 13	\$ 9	\$ 4	\$ 170
Lending-related commitments	17	47	16	—	—	1	—	2	83
Individually evaluated for impairment:									
Loan balance (b)	\$ —	\$ 54	\$ —	\$ —	\$ —	\$ 13	\$ 1	\$ —	\$ 68
Allowance for loan losses	—	—	—	—	—	—	—	—	—

(a) Does not include the provision for credit losses related to other financial instruments of \$29 million for the quarter ended March 31, 2023.

(b) Includes collateral-dependent loans of \$68 million with \$103 million of collateral at fair value.

### Nonperforming assets

The table below presents our nonperforming assets.

<i>(in millions)</i>	March 31, 2024			Dec. 31, 2023		
	Recorded investment			Recorded investment		
	With an allowance	Without an allowance	Total	With an allowance	Without an allowance	Total
Nonperforming loans:						
Commercial real estate	\$ 230	\$ —	\$ 230	\$ 189	\$ —	\$ 189
Other residential mortgages	22	1	23	23	1	24
Wealth management mortgages	7	16	23	7	12	19
Total nonperforming loans	259	17	276	219	13	232
Other assets owned	—	2	2	—	5	5
Total nonperforming assets	\$ 259	\$ 19	\$ 278	\$ 219	\$ 18	\$ 237

### Past due loans

The table below presents our past due loans.

<i>(in millions)</i>	March 31, 2024				Dec. 31, 2023			
	Days past due			Total past due	Days past due			Total past due
	30-59	60-89	≥90		30-59	60-89	≥90	
Financial institutions	\$ 455 (a)	\$ —	\$ —	\$ 455	\$ 339 (b)	\$ —	\$ —	\$ 339
Wealth management loans	50	—	—	50	52	—	—	52
Wealth management mortgages	48	—	—	48	26	3	—	29
Commercial real estate	3	—	—	3	9	3	—	12
Other residential mortgages	12	5	—	17	7	1	—	8
Total past due loans	\$ 568	\$ 5	\$ —	\$ 573	\$ 433	\$ 7	\$ —	\$ 440

(a) Past due financial institution loans have been collected since March 31, 2024.

(b) Past due financial institution loans have been collected since Dec. 31, 2023.



### Loan modifications

Modified loans are evaluated to determine whether a modification or restructuring with a borrower experiencing financial difficulty results in principal forgiveness, an interest rate reduction, an other-than-insignificant payment delay, or a term extension. The modification could result in a new loan or a continuation of the existing loan.

In the first quarter of 2024, we modified one commercial real estate exposure, with a recorded investment of \$59 million and an unfunded lending commitment of \$15 million, by extending the maturity date. We also modified one residential

mortgage loan, with an aggregate recorded investment of less than \$1 million, by providing payment modifications and extending the maturity date.

In the fourth quarter of 2023, we modified three residential mortgage loans, with an aggregate recorded investment of less than \$2 million, by payment modifications and extending the maturity dates.

In the first quarter of 2023, we modified one commercial real estate loan, with a recorded investment of \$12 million, by extending the maturity date.

### Credit quality indicators

Our credit strategy is to focus on investment-grade clients that are active users of our non-credit services. Each customer is assigned an internal credit rating, which is mapped to an external rating agency grade equivalent, if possible, based upon a number of dimensions, which are continually evaluated and may change over time. The tables below provide information about the credit profile of the loan portfolio by the period of origination.

Credit profile of the loan portfolio							March 31, 2024			
							Originated, at amortized cost		Revolving loans	
(in millions)	1Q24	2023	2022	2021	2020	Prior to 2020	Amortized cost	Converted to term loans – Amortized cost		
Commercial:										
Investment grade	\$ 16	\$ 140	\$ 56	\$ 64	\$ —	\$ 116	\$ 1,980	\$ —	\$ 2,372	
Non-investment grade	2	—	—	24	—	—	65	—	91	
Total commercial	18	140	56	88	—	116	2,045	—	2,463	\$ 3
Commercial real estate:										
Investment grade	185	555	739	640	558	1,759	226	22	4,684	
Non-investment grade	1	237	846	339	307	493	90	—	2,313	
Total commercial real estate	186	792	1,585	979	865	2,252	316	22	6,997	33
Financial institutions:										
Investment grade	184	424	24	110	72	8	10,142	—	10,964	
Non-investment grade	45	20	10	—	—	—	1,020	—	1,095	
Total financial institutions	229	444	34	110	72	8	11,162	—	12,059	124
Wealth management loans:										
Investment grade	4	30	31	109	26	163	8,487	100	8,950	
Non-investment grade	—	—	—	—	—	—	78	—	78	
Total wealth management loans	4	30	31	109	26	163	8,565	100	9,028	59
Wealth management mortgages (b)	107	841	1,658	1,901	855	3,705	21	—	9,088	24
Lease financings	—	—	—	12	38	549	—	—	599	—
Other residential mortgages	—	179	555	199	5	209	—	—	1,147	4
Capital call financing	—	10	—	—	—	—	3,977	—	3,987	17
Other loans	—	—	—	—	—	—	2,723	—	2,723	7
Margin loans	7,830	—	—	—	—	—	9,747	—	17,577	39
Total loans	\$ 8,374	\$ 2,436	\$ 3,919	\$ 3,398	\$ 1,861	\$ 7,002	\$ 38,556	\$ 122	\$ 65,668	\$ 310

(a) Excludes overdrafts of \$7,947 million. Overdrafts occur on a daily basis primarily in the custody and securities clearance business and are generally repaid within two business days.

(b) The gross write-offs related to wealth management mortgage loans were less than \$1 million in the first three months of 2024.

<i>(in millions)</i>	Originated, at amortized cost						Dec. 31, 2023			
							Revolving loans		Converted to term loans – Amortized cost	Total (a)
	2023	2022	2021	2020	2019	Prior to 2019	Amortized cost			
<b>Commercial:</b>										
Investment grade	\$ 193	\$ 114	\$ 70	\$ —	\$ —	\$ 45	\$ 1,483	\$ —	\$ 1,905	
Non-investment grade	52	18	—	—	—	—	137	—	207	
<b>Total commercial</b>	<b>245</b>	<b>132</b>	<b>70</b>	<b>—</b>	<b>—</b>	<b>45</b>	<b>1,620</b>	<b>—</b>	<b>2,112</b>	<b>\$ 3</b>
<b>Commercial real estate:</b>										
Investment grade	1,518	864	585	152	271	875	136	22	4,423	
Non-investment grade	1,172	685	154	43	47	152	84	—	2,337	
<b>Total commercial real estate</b>	<b>2,690</b>	<b>1,549</b>	<b>739</b>	<b>195</b>	<b>318</b>	<b>1,027</b>	<b>220</b>	<b>22</b>	<b>6,760</b>	<b>30</b>
<b>Financial institutions:</b>										
Investment grade	616	74	57	—	—	10	6,948	—	7,705	
Non-investment grade	134	10	—	—	—	—	2,672	—	2,816	
<b>Total financial institutions</b>	<b>750</b>	<b>84</b>	<b>57</b>	<b>—</b>	<b>—</b>	<b>10</b>	<b>9,620</b>	<b>—</b>	<b>10,521</b>	<b>120</b>
<b>Wealth management loans:</b>										
Investment grade	39	30	110	26	7	167	8,542	101	9,022	
Non-investment grade	—	2	—	—	—	—	85	—	87	
<b>Total wealth management loans</b>	<b>39</b>	<b>32</b>	<b>110</b>	<b>26</b>	<b>7</b>	<b>167</b>	<b>8,627</b>	<b>101</b>	<b>9,109</b>	<b>57</b>
Wealth management mortgages	850	1,689	1,909	863	736	3,066	18	—	9,131	22
Lease financings	230	—	—	40	7	322	—	—	599	—
Other residential mortgages (b)	184	561	200	5	—	216	—	—	1,166	5
Capital call financing	10	—	—	—	—	—	3,690	—	3,700	15
Other loans	—	—	—	—	—	—	2,717	—	2,717	7
Margin loans	7,283	—	—	—	—	—	10,728	—	18,011	41
<b>Total loans</b>	<b>\$ 12,281</b>	<b>\$ 4,047</b>	<b>\$ 3,085</b>	<b>\$ 1,129</b>	<b>\$ 1,068</b>	<b>\$ 4,853</b>	<b>\$ 37,240</b>	<b>\$ 123</b>	<b>\$ 63,826</b>	<b>\$ 300</b>

(a) Excludes overdrafts of \$3,053 million. Overdrafts occur on a daily basis primarily in the custody and securities clearance business and are generally repaid within two business days.

(b) The gross write-offs related to other residential mortgage loans were \$3 million in 2023.

### Commercial loans

The commercial loan portfolio is divided into investment grade and non-investment grade categories based on the assigned internal credit ratings, which are generally consistent with those of the public rating agencies. Customers with ratings consistent with BBB- (S&P)/Baa3 (Moody's) or better are considered to be investment grade. Those clients with ratings lower than this threshold are considered to be non-investment grade.

### Commercial real estate

Our income-producing commercial real estate facilities are focused on experienced owners and are structured with moderate leverage based on existing cash flows. Our commercial real estate lending activities also include construction and renovation facilities.

### Financial institutions

Financial institution exposures are high quality, with 97% of the exposures meeting the investment grade equivalent criteria of our internal credit rating classification at March 31, 2024. In addition, 66% of the financial institutions exposure is secured. For example, securities industry clients and asset managers often borrow against marketable securities held in custody. The exposure to financial institutions is generally short term, with 84% expiring within one year.

### Wealth management loans

Wealth management loans are not typically rated by external rating agencies. A majority of the wealth management loans are secured by the customers' investment management accounts or custody accounts. Eligible assets pledged for these loans are typically investment grade fixed-income securities, equities and/or mutual funds. Internal ratings for this portion of the wealth management loan portfolio, therefore, would equate to investment grade external

ratings. Wealth management loans are provided to select customers based on the pledge of other types of assets. For the loans collateralized by other assets, the credit quality of the obligor is carefully analyzed, but we do not consider this portion of our wealth management loan portfolio to be investment grade.

#### *Wealth management mortgages*

Credit quality indicators for wealth management mortgages are not correlated to external ratings. Wealth management mortgages are typically loans to high-net-worth individuals, which are secured primarily by residential property. These loans are primarily interest-only, adjustable-rate mortgages with a weighted-average loan-to-value ratio of 61% at origination. Delinquency rate is a key indicator of credit quality in our wealth management portfolio. At March 31, 2024, less than 1% of the mortgages were past due.

At March 31, 2024, the wealth management mortgage portfolio consisted of the following geographic concentrations: California – 21%; New York – 14%; Florida – 11%; Massachusetts – 8%; and other – 46%.

#### *Lease financings*

At March 31, 2024, nearly all of the leasing exposure was investment grade, or investment grade equivalent, and consisted of exposures backed by well-diversified assets. The largest components of our lease residual value exposure relate to real estate and large-ticket transportation equipment. Assets are both domestic and foreign-based, with primary concentrations in Germany and the U.S.

#### *Other residential mortgages*

The other residential mortgages portfolio primarily consists of 1-4 family residential mortgage loans and

totaled \$1.1 billion at March 31, 2024 and \$1.2 billion at Dec. 31, 2023. These loans are not typically correlated to external ratings.

#### *Capital call financing*

Capital call financing includes loans to private equity funds that are secured by the fund investors' capital commitments and the funds' right to call capital.

#### *Other loans*

Other loans primarily include loans to consumers that are fully collateralized with equities, mutual funds and fixed-income securities.

#### *Margin loans*

We had \$17.6 billion of secured margin loans at March 31, 2024, compared with \$18.0 billion at Dec. 31, 2023. Margin loans are collateralized with marketable securities, and borrowers are required to maintain a daily collateral margin in excess of 100% of the value of the loan. We have rarely suffered a loss on these types of loans.

#### *Overdrafts*

Overdrafts primarily relate to custody and securities clearance clients and totaled \$7.9 billion at March 31, 2024 and \$3.1 billion at Dec. 31, 2023. Overdrafts occur on a daily basis and are generally repaid within two business days.

#### *Reverse repurchase agreements*

Reverse repurchase agreements at March 31, 2024 and Dec. 31, 2023 were fully secured with high-quality collateral. As a result, there was no allowance for credit losses related to these assets at March 31, 2024 and Dec. 31, 2023.

**Note 6—Goodwill and intangible assets**
*Goodwill*

The tables below provide a breakdown of goodwill by business segment.

<b>Goodwill by business segment</b>		Securities Services		Market and Wealth Services		Investment and Wealth Management		Consolidated
<i>(in millions)</i>								
Balance at Dec. 31, 2023								
Goodwill	\$	7,004	\$	1,429	\$	8,508	\$	16,941
Accumulated impairment losses		—		—		(680)		(680)
Net goodwill	\$	7,004	\$	1,429	\$	7,828	\$	16,261
Business realignment (a)		(51)		48		3		—
Foreign currency translation		(18)		(1)		(14)		(33)
<b>Balance at March 31, 2024</b>								
Goodwill	\$	6,935	\$	1,476	\$	8,497	\$	16,908
Accumulated impairment losses		—		—		(680)		(680)
Net goodwill	<b>\$</b>	<b>6,935</b>	<b>\$</b>	<b>1,476</b>	<b>\$</b>	<b>7,817</b>	<b>\$</b>	<b>16,228</b>

(a) In the first quarter of 2024, we made certain realignments of similar products and services within our lines of business. See Note 19 for additional information.

<b>Goodwill by business segment</b>		Securities Services		Market and Wealth Services		Investment and Wealth Management		Consolidated
<i>(in millions)</i>								
Balance at Dec. 31, 2022								
Goodwill	\$	6,973	\$	1,424	\$	8,433	\$	16,830
Accumulated impairment losses		—		—		(680)		(680)
Net goodwill	\$	6,973	\$	1,424	\$	7,753	\$	16,150
Foreign currency translation		12		2		28		42
Balance at March 31, 2023								
Goodwill	\$	6,985	\$	1,426	\$	8,461	\$	16,872
Accumulated impairment losses		—		—		(680)		(680)
Net goodwill	\$	6,985	\$	1,426	\$	7,781	\$	16,192

*Goodwill impairment testing*

The goodwill impairment test is performed at least annually at the reporting unit level. An interim goodwill impairment test is performed when events or circumstances occur that may indicate that it is more likely than not that the fair value of any reporting unit may be less than its carrying value.

In the first quarter of 2024, due to the results of the fourth quarter 2023 interim goodwill impairment test and macroeconomic conditions, we performed an interim goodwill impairment test of the Investment Management reporting unit, which had \$6.1 billion of allocated goodwill. No additional goodwill impairment was recognized.

**Intangible assets**

The tables below provide a breakdown of intangible assets by business segment.

<b>Intangible assets – net carrying amount by business segment</b> <i>(in millions)</i>	Securities Services	Market and Wealth Services	Investment and Wealth Management	Other	Consolidated
Balance at Dec. 31, 2023	\$ 164	\$ 378	\$ 1,463	\$ 849	\$ 2,854
Amortization	(7)	(1)	(4)	—	(12)
Foreign currency translation	(1)	—	(2)	—	(3)
<b>Balance at March 31, 2024</b>	<b>\$ 156</b>	<b>\$ 377</b>	<b>\$ 1,457</b>	<b>\$ 849</b>	<b>\$ 2,839</b>

<b>Intangible assets – net carrying amount by business segment</b> <i>(in millions)</i>	Securities Services	Market and Wealth Services	Investment and Wealth Management	Other	Consolidated
Balance at Dec. 31, 2022	\$ 193	\$ 384	\$ 1,475	\$ 849	\$ 2,901
Amortization	(8)	(1)	(5)	—	(14)
Foreign currency translation	—	—	3	—	3
Balance at March 31, 2023	\$ 185	\$ 383	\$ 1,473	\$ 849	\$ 2,890

The table below provides a breakdown of intangible assets by type.

<b>Intangible assets</b> <i>(dollars in millions)</i>	<b>March 31, 2024</b>				<b>Dec. 31, 2023</b>		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Remaining weighted-average amortization period	Gross carrying amount	Accumulated amortization	Net carrying amount
Subject to amortization: <i>(a)</i>							
Customer contracts – Securities Services	\$ 729	\$ (573)	\$ 156	10 years	\$ 731	\$ (567)	\$ 164
Customer contracts – Market and Wealth Services	280	(274)	6	2 years	280	(273)	7
Customer relationships – Investment and Wealth Management	553	(484)	69	8 years	553	(479)	74
Other	41	(12)	29	13 years	41	(12)	29
Total subject to amortization	\$ 1,603	\$ (1,343)	\$ 260	9 years	\$ 1,605	\$ (1,331)	\$ 274
Not subject to amortization: <i>(b)</i>							
Tradenames	\$ 1,292	N/A	\$ 1,292	N/A	\$ 1,292	N/A	\$ 1,292
Customer relationships	1,287	N/A	1,287	N/A	1,288	N/A	1,288
Total not subject to amortization	\$ 2,579	N/A	\$ 2,579	N/A	\$ 2,580	N/A	\$ 2,580
Total intangible assets	\$ 4,182	\$ (1,343)	\$ 2,839	N/A	\$ 4,185	\$ (1,331)	\$ 2,854

*(a)* Excludes fully amortized intangible assets.

*(b)* Intangible assets not subject to amortization have an indefinite life.

N/A – Not applicable.

Estimated annual amortization expense for current intangibles for the next five years is as follows:

For the year ended Dec. 31,	Estimated amortization expense <i>(in millions)</i>
2024	\$ 49
2025	43
2026	34
2027	28
2028	24

**Intangible asset impairment testing**

Intangible assets not subject to amortization are tested for impairment annually or more often if events or circumstances indicate they may be impaired.

**Note 7—Other assets**

The following table provides the components of other assets presented on the consolidated balance sheet.

<b>Other assets</b> <i>(in millions)</i>	<b>March 31,</b> <b>2024</b>	Dec. 31, 2023
Corporate/bank-owned life insurance	\$ 5,498	\$ 5,480
Accounts receivable (a)	4,347	6,567
Software	2,455	2,430
Fails to deliver	2,281	1,514
Tax credit investments (b)	2,130	2,186
Prepaid pension assets	1,984	1,818
Equity method investments	888	873
Other equity investments (c)	763	741
Prepaid expense	754	737
Assets of consolidated investment management funds	568	526
Federal Reserve Bank stock	482	480
Fair value of hedging derivatives	384	236
Seed capital (d)	207	232
Cash collateral receivable on derivative transactions	187	621
Income taxes receivable	165	270
Other (e)	1,010	1,198
<b>Total other assets</b>	<b>\$ 24,103</b>	<b>\$ 25,909</b>

(a) Includes receivables for securities sold or matured that have not yet settled.

(b) Prior period renewable energy investments were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 for additional information.

(c) Includes strategic equity, private equity and other investments.

(d) Includes investments in BNY Mellon funds that hedge deferred incentive awards.

(e) At March 31, 2024 and Dec. 31, 2023, other assets include \$7 million and \$7 million, respectively, of Federal Home Loan Bank stock, at cost.

**Non-readily marketable equity securities**

Non-readily marketable equity securities do not have readily determinable fair values. These investments are valued using a measurement alternative where the investments are carried at cost, less any impairment, and plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. The observable price changes are recorded in investment and other revenue on the consolidated income statement. Our non-readily marketable equity securities totaled \$494 million at March 31, 2024 and \$479 million at Dec. 31, 2023, and are included in other equity investments in the table above.

The following table presents the adjustments on the non-readily marketable equity securities.

<b>Adjustments on non-readily marketable equity securities</b> <i>(in millions)</i>	<b>1Q24</b>	4Q23	1Q23	Life-to-date
Upward adjustments	\$ —	\$ 47	\$ —	\$ 335
Downward adjustments	—	(1)	(18)	(53)
<b>Net adjustments</b>	<b>\$ —</b>	<b>\$ 46</b>	<b>\$ (18)</b>	<b>\$ 282</b>

**Tax credit investments**

Tax credit investments include affordable housing projects and renewable energy investments. We invest in affordable housing projects primarily to satisfy the Company's requirements under the Community Reinvestment Act. On Jan. 1, 2024, we adopted ASU 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method* for our renewable energy projects that met the eligibility criteria. See Note 2 for additional information.

Our tax credit investments totaled \$2.1 billion at March 31, 2024 and \$2.2 billion at Dec. 31, 2023. Commitments to fund future investments totaled \$777 million at March 31, 2024 and \$780 million at Dec. 31, 2023 and are recorded in other liabilities on the consolidated balance sheet. A summary of the commitments to fund future investments is as follows: remainder of 2024 – \$283 million; 2025 – \$227 million; 2026 – \$92 million; 2027 – \$44 million; 2028 – \$16 million; and 2029 and thereafter – \$115 million.

Tax credits and other tax benefits recognized were \$114 million in the first quarter of 2024, \$97 million in the fourth quarter of 2023 and \$90 million in the first quarter of 2023.

Amortization expense included in the provision for income taxes was \$92 million in the first quarter of 2024, \$74 million in the fourth quarter of 2023 and \$73 million in the first quarter of 2023.

**Investments valued using net asset value (“NAV”) per share**

In our Investment and Wealth Management business segment, we make seed capital investments in certain funds we manage. We also hold private equity investments, primarily small business investment

companies (“SBICs”), which are compliant with the Volcker Rule, and certain other corporate investments. Seed capital, private equity and other corporate investments are included in other assets on

the consolidated balance sheet. The fair value of certain of these investments was estimated using the NAV per share for our ownership interest in the funds.

The table below presents information on our investments valued using NAV.

Investments valued using NAV <i>(in millions)</i>	March 31, 2024		Dec. 31, 2023	
	Fair value	Unfunded commitments	Fair value	Unfunded commitments
Seed capital <i>(a)(b)</i>	\$ 7	\$ —	\$ 3	\$ —
Private equity investments <i>(c)</i>	152	41	143	42
Other	7	—	7	—
Total	\$ 166	\$ 41	\$ 153	\$ 42

- (a) Seed capital investments at March 31, 2024 are generally redeemable on request. Distributions are received as the underlying investments in the funds, which have redemption notice periods of up to seven days, are liquidated.*
- (b) Includes investments in funds that relate to deferred compensation arrangements with employees.*
- (c) Private equity investments primarily include Volcker Rule-compliant investments in SBICs that invest in various sectors of the economy. Private equity investments do not have redemption rights. Distributions from such investments will be received as the underlying investments in the private equity investments, which have a life of 10 years, are liquidated.*

## Note 8—Contract revenue

Fee and other revenue in the Securities Services, Market and Wealth Services and Investment and Wealth Management business segments is primarily variable, based on levels of assets under custody and/or administration, assets under management and the level of client-driven transactions, as specified in the fee schedules. See Note 10 of the Notes to Consolidated Financial Statements in our 2023 Annual Report for information on the nature of our services and revenue recognition. See Note 24 of the Notes to Consolidated Financial Statements in our 2023 Annual Report for additional information on our principal business segments — Securities Services,

Market and Wealth Services and Investment and Wealth Management — and the primary services provided.

### *Disaggregation of contract revenue*

Contract revenue is included in fee and other revenue on the consolidated income statement. The following tables present fee and other revenue related to contracts with customers, disaggregated by type of fee revenue, for each business segment. Business segment data has been determined on an internal management basis of accounting, rather than GAAP, which is used for consolidated financial reporting.

## Notes to Consolidated Financial Statements (continued)

### Disaggregation of contract revenue by business segment

(in millions)	Quarter ended									
	March 31, 2024					March 31, 2023 (a)				
	Securities Services	Market and Wealth Services	Investment and Wealth Management	Other	Total	Securities Services	Market and Wealth Services	Investment and Wealth Management	Other	Total
Fee and other revenue – contract revenue:										
Investment services fees	\$ 1,260	\$ 992	\$ 26	\$ (16)	\$ 2,262	\$ 1,169	\$ 932	\$ 24	\$ (15)	\$ 2,110
Investment management and performance fees	—	2	774	(4)	772	—	2	784	(3)	783
Financing-related fees	15	8	—	—	23	13	5	—	—	18
Distribution and servicing fees	1	(29)	70	—	42	—	(23)	55	1	33
Investment and other revenue	57	60	(90)	1	28	60	50	(80)	1	31
Total fee and other revenue – contract revenue	1,333	1,033	780	(19)	3,127	1,242	966	783	(16)	2,975
Fee and other revenue – not in scope of Accounting Standards Codification (“ASC”) 606 (b)(c)(d)	223	61	25	49	358	201	52	2	57	312
Total fee and other revenue	\$ 1,556	\$ 1,094	\$ 805	\$ 30	\$ 3,485	\$ 1,443	\$ 1,018	\$ 785	\$ 41	\$ 3,287

- (a) Prior period results were revised in the first quarter of 2024 to reflect certain realignments of similar products and services within our lines of business. See Note 19 for additional information.
- (b) Primarily includes investment services fees, foreign exchange revenue, financing-related fees and investment and other revenue, all of which are accounted for using other accounting guidance.
- (c) The Investment and Wealth Management business segment is net of income (loss) attributable to noncontrolling interests related to consolidated investment management funds of \$2 million in the first quarter of 2024 and \$— million in the first quarter of 2023.
- (d) Prior period amount for the Other segment was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 for additional information.

### Disaggregation of contract revenue by business segment

(in millions)	Quarter ended				
	Dec. 31, 2023 (a)				
	Securities Services	Market and Wealth Services	Investment and Wealth Management	Other	Total
Fee and other revenue – contract revenue:					
Investment services fees	\$ 1,251	\$ 970	\$ 25	\$ (15)	\$ 2,231
Investment management and performance fees	—	2	744	(3)	743
Financing-related fees	7	3	1	(1)	10
Distribution and servicing fees	3	(27)	66	—	42
Investment and other revenue	58	55	(83)	—	30
Total fee and other revenue – contract revenue	1,319	1,003	753	(19)	3,056
Fee and other revenue – not in scope of ASC 606 (b)(c)(d)	225	57	(119)	40	203
Total fee and other revenue	\$ 1,544	\$ 1,060	\$ 634	\$ 21	\$ 3,259

- (a) Prior period results were revised in the first quarter of 2024 to reflect certain realignments of similar products and services within our lines of business. See Note 19 for additional information.
- (b) Primarily includes investment services fees, foreign exchange revenue, financing-related fees and investment and other revenue, all of which are accounted for using other accounting guidance.
- (c) The Investment and Wealth Management business segment is net of (loss) attributable to noncontrolling interests related to consolidated investment management funds of \$(2) million in the fourth quarter of 2023.
- (d) Prior period amount for the Other segment was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 for additional information.



### *Contract balances*

Our clients are billed based on fee schedules that are agreed upon in each customer contract. Receivables from customers were \$2.6 billion at March 31, 2024 and Dec. 31, 2023.

Contract assets represent accrued revenues that have not yet been billed to customers due to certain contractual terms other than the passage of time and were \$48 million at March 31, 2024 and \$27 million at Dec. 31, 2023. Accrued revenues recorded as contract assets are usually billed on an annual basis.

Both receivables from customers and contract assets are included in other assets on the consolidated balance sheet.

Contract liabilities represent payments received in advance of providing services under certain contracts and were \$204 million at March 31, 2024 and \$172 million at Dec. 31, 2023. Contract liabilities are included in other liabilities on the consolidated balance sheet. Revenue recognized in the first quarter of 2024 relating to contract liabilities as of Dec. 31, 2023 was \$55 million.

Changes in contract assets and liabilities primarily relate to either party's performance under the contracts.

### *Contract costs*

Incremental costs for obtaining contracts that are deemed recoverable are capitalized as contract costs. Such costs result from the payment of sales

incentives, primarily in the Wealth Management business, and totaled \$52 million at March 31, 2024 and \$46 million at Dec. 31, 2023. Capitalized sales incentives are amortized based on the transfer of goods or services to which the assets relate. The amortization of capitalized sales incentives, which is included in staff expense on the consolidated income statement, totaled \$3 million in the first quarter of 2024, \$4 million in the first quarter of 2023 and \$4 million in the fourth quarter of 2023.

Costs to fulfill a contract are capitalized when they relate directly to an existing contract or a specific anticipated contract, generate or enhance resources that will be used to fulfill performance obligations, and are recoverable. Such costs generally represent set-up costs, which include any direct cost incurred at the inception of a contract which enables the fulfillment of the performance obligation, and totaled \$91 million at March 31, 2024 and \$90 million at Dec. 31, 2023. These capitalized costs are amortized on a straight-line basis over the expected contract period.

### *Unsatisfied performance obligations*

We do not have any unsatisfied performance obligations other than those that are subject to a practical expedient election under ASC 606, *Revenue From Contracts With Customers*. The practical expedient election applies to (i) contracts with an original expected length of one year or less, and (ii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

**Note 9—Net interest income**

The following table provides the components of net interest income presented on the consolidated income statement.

Net interest income <i>(in millions)</i>	Quarter ended		
	March 31, 2024	Dec. 31, 2023	March 31, 2023
<b>Interest income</b>			
Deposits with the Federal Reserve and other central banks	\$ 1,219	\$ 1,294	\$ 853
Deposits with banks	121	130	140
Federal funds sold and securities purchased under resale agreements	2,433	2,308	991
Loans	1,061	1,064	866
Securities:			
Taxable	1,193	1,080	1,022
Exempt from federal income taxes	—	—	—
Total securities	1,193	1,080	1,022
Trading securities	69	87	70
<b>Total interest income</b>	<b>6,096</b>	<b>5,963</b>	<b>3,942</b>
<b>Interest expense</b>			
Deposits	2,187	2,108	1,366
Federal funds purchased and securities sold under repurchase agreements	2,243	2,122	892
Trading liabilities	21	35	30
Other borrowed funds	4	6	3
Customer payables	146	148	128
Long-term debt	455	443	395
<b>Total interest expense</b>	<b>5,056</b>	<b>4,862</b>	<b>2,814</b>
<b>Net interest income</b>	<b>1,040</b>	<b>1,101</b>	<b>1,128</b>
Provision for credit losses	27	84	27
<b>Net interest income after provision for credit losses</b>	<b>\$ 1,013</b>	<b>\$ 1,017</b>	<b>\$ 1,101</b>

**Note 10—Employee benefit plans**

The components of net periodic benefit (credit) cost are presented below. The service cost component is reflected in staff expense, whereas the remaining components are reflected in other expense.

Net periodic benefit (credit) cost <i>(in millions)</i>	Quarter ended					
	March 31, 2024			March 31, 2023		
	Domestic pension benefits	Foreign pension benefits	Health care benefits	Domestic pension benefits	Foreign pension benefits	Health care benefits
Service cost	\$ —	\$ 3	\$ —	\$ —	\$ 3	\$ —
Interest cost	45	10	1	48	8	1
Expected return on assets	(95)	(20)	(2)	(95)	(22)	(2)
Other	6	(1)	(2)	2	(3)	(3)
<b>Net periodic benefit (credit)</b>	<b>\$ (44)</b>	<b>\$ (8)</b>	<b>\$ (3)</b>	<b>\$ (45)</b>	<b>\$ (14)</b>	<b>\$ (4)</b>

**Note 11—Income taxes**

BNY Mellon recorded an income tax provision of \$297 million (22.4% effective tax rate) in the first quarter of 2024, \$306 million (23.8% effective tax rate) in the first quarter of 2023 and \$73 million (26.2% effective tax rate) in the fourth quarter of 2023.

In accordance with ASU 2023-02, *Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*, we elected to account for investments in renewable energy projects that met the eligibility requirement using the proportional amortization method on a retrospective basis. Previously, we used the hypothetical liquidation at book value (“HLBV”)

methodology to determine the pre-tax loss that is recognized in each period. This change resulted in an increase in investment and other revenue and an increase in the provision for income taxes on the consolidated income statement. For additional information, see Note 2 and Note 7.

Our total tax reserves as of March 31, 2024 were \$105 million, compared with \$109 million at Dec. 31, 2023. If these tax reserves were unnecessary, \$105 million would affect the effective tax rate in future periods. We recognize accrued interest and penalties, if applicable, related to income taxes in income tax expense. Included in the balance sheet at March 31, 2024 is accrued interest, where applicable, of \$33 million. The additional tax benefit related to interest for the three months ended March 31, 2024 was \$5 million, compared with \$1 million for the three months ended March 31, 2023.

It is reasonably possible the total reserve for uncertain tax positions could decrease within the next 12 months by approximately \$10 million as a result of adjustments related to tax years that are still subject to examination.

Our federal income tax returns are closed to examination through 2016. Our New York State and New York City income tax returns are closed to examination through 2014. Our UK income tax returns are closed to examination through 2020.

## Note 12—Variable interest entities

We have variable interests in variable interest entities (“VIEs”), which include investments in retail, institutional and alternative investment funds.

We earn management fees from these funds, as well as performance fees in certain funds, and may also provide start-up capital for new funds. The funds are primarily financed by our customers’ investments in the funds’ equity or debt.

Additionally, we invest in qualified affordable housing and renewable energy projects, which are designed to generate a return primarily through the realization of tax credits. The projects, which are structured as limited partnerships and limited liability companies, are also VIEs, but are not consolidated.

The following table presents the incremental assets and liabilities included on the consolidated balance sheet as of March 31, 2024 and Dec. 31, 2023. The net assets of any consolidated VIE are solely available to settle the liabilities of the VIE and to settle any investors’ ownership liquidation requests, including any seed capital we invested in the VIE.

<b>Consolidated investment management funds</b>		
<i>(in millions)</i>	<b>March 31, 2024</b>	Dec. 31, 2023
Trading assets	\$ 547	\$ 510
Other assets	21	16
Total assets (a)	\$ 568	\$ 526
Other liabilities	\$ 5	\$ 1
Total liabilities (b)	\$ 5	\$ 1
Nonredeemable noncontrolling interests (c)	\$ 111	\$ 50

- (a) Includes voting model entities (“VMEs”) with assets of \$51 million at March 31, 2024 and \$91 million at Dec. 31, 2023.
- (b) Includes VMEs with liabilities of \$1 million at March 31, 2024 and \$1 million at Dec. 31, 2023.
- (c) Includes VMEs with nonredeemable noncontrolling interests of \$3 million at March 31, 2024 and \$12 million at Dec. 31, 2023.

We have not provided financial or other support that was not otherwise contractually required to be provided to our VIEs. Additionally, creditors of any consolidated VIEs do not have any recourse to the general credit of BNY Mellon.

### Non-consolidated VIEs

As of March 31, 2024 and Dec. 31, 2023, assets and liabilities related to the VIEs where we are not the primary beneficiary were included in other assets and other liabilities on the consolidated balance sheet and primarily related to accounting for our investments in qualified affordable housing and renewable energy projects.

The maximum loss exposure indicated in the following table relates solely to our investments in, and unfunded commitments to, the VIEs.

<b>Non-consolidated VIEs</b> <i>(in millions)</i>	<b>March 31, 2024</b>	Dec. 31, 2023
Other assets	\$ 2,212	\$ 2,261
Other liabilities	777	780
Maximum loss exposure	2,990	3,041

- (a) Prior period balances were restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 for additional information.

**Note 13—Preferred stock**

The Parent has 100 million authorized shares of preferred stock with a par value of \$0.01 per share. The following table summarizes the Parent’s preferred stock issued and outstanding at March 31, 2024 and Dec. 31, 2023.

Preferred stock summary (a)		Total shares issued and outstanding		Carrying value (b) (in millions)	
		March 31, 2024	Dec. 31, 2023	March 31, 2024	Dec. 31, 2023
	<b>Per annum dividend rate (c)</b>				
Series A	Greater of (i) SOFR plus 0.565% and (ii) 4.000%	5,001	5,001	\$ 500	\$ 500
Series F	4.625% to but excluding Sept. 20, 2026, then SOFR plus 3.131%	10,000	10,000	990	990
Series G	4.700% to but excluding Sept. 20, 2025, then a floating rate equal to the five-year treasury rate plus 4.358%	10,000	10,000	990	990
Series H	3.700% to but excluding March 20, 2026, then a floating rate equal to the five-year treasury rate plus 3.352%	5,825	5,825	576	576
Series I	3.750% to but excluding Dec. 20, 2026, then a floating rate equal to the five-year treasury rate plus 2.630%	13,000	13,000	1,287	1,287
Total		43,826	43,826	\$ 4,343	\$ 4,343

(a) All outstanding preferred stock is noncumulative perpetual preferred stock with a liquidation preference of \$100,000 per share.

(b) The carrying value of the Series F, Series G, Series H and Series I preferred stock is recorded net of issuance costs.

(c) References to SOFR are to a floating rate equal to the three-month CME Term SOFR (plus a spread adjustment of 0.26161% per annum).

The table below presents the Parent’s preferred dividends.

Preferred dividends  (dollars in millions, except per share amounts)	Depository shares per share	1Q24		4Q23		1Q23	
		Per share	Total dividend	Per share	Total dividend	Per share	Total dividend
Series A	100 (a)	\$ 1,566.46	\$ 8	\$ 1,573.41	\$ 7	\$ 1,327.72	\$ 7
Series D	100	N/A	N/A	2,052.42	21 (b)	—	—
Series F	100	2,312.50	23	—	—	2,312.50	23
Series G	100	2,350.00	24	—	—	2,350.00	24
Series H	100	925.00	5	925.00	5	925.00	5
Series I	100	937.50	12	937.50	13	937.50	12
Total			\$ 72		\$ 46		\$ 71

(a) Represents Normal Preferred Capital Securities.

(b) Includes deferred fees of approximately \$10 million related to the redemption of Series D preferred stock.

N/A - Not applicable.

In December 2023, all of the outstanding shares of the Series D preferred stock were redeemed.

All of the outstanding shares of the Series A preferred stock are owned by Mellon Capital IV, a 100% owned finance subsidiary of the Parent, which will pass through any dividend on the Series A preferred stock to the holders of its Normal Preferred Capital Securities. The Parent’s obligations under the trust and other agreements relating to Mellon Capital IV

have the effect of providing a full and unconditional guarantee, on a subordinated basis, of payments due on the Normal Preferred Capital Securities. No other subsidiary of the Parent guarantees the securities of Mellon Capital IV.

For additional information on our preferred stock, see Note 15 of the Notes to Consolidated Financial Statements in our 2023 Annual Report.

## Note 14—Other comprehensive income (loss)

Components of other comprehensive income (loss)	Quarter ended								
	March 31, 2024			Dec. 31, 2023			March 31, 2023		
	Pre-tax amount	Tax (expense) benefit	After-tax amount	Pre-tax amount	Tax (expense) benefit	After-tax amount	Pre-tax amount	Tax (expense) benefit	After-tax amount
<i>(in millions)</i>									
Foreign currency translation:									
Foreign currency translation adjustments arising during the period (a)	\$ (44)	\$ (47)	\$ (91)	\$ 172	\$ 85	\$ 257	\$ 77	\$ 26	\$ 103
Total foreign currency translation	(44)	(47)	(91)	172	85	257	77	26	103
Unrealized gain on assets available-for-sale:									
Unrealized gain arising during period	137	(34)	103	921	(223)	698	419	(102)	317
Reclassification adjustment (b)	1	—	1	48	(11)	37	1	—	1
Net unrealized gain on assets available-for-sale	138	(34)	104	969	(234)	735	420	(102)	318
Defined benefit plans:									
Net (loss) arising during the period	—	—	—	(107)	32	(75)	—	—	—
Foreign exchange adjustment	—	—	—	(1)	—	(1)	—	—	—
Amortization of prior service credit, net loss and initial obligation included in net periodic benefit cost (b)	3	—	3	(5)	3	(2)	(4)	1	(3)
Total defined benefit plans	3	—	3	(113)	35	(78)	(4)	1	(3)
Unrealized gain (loss) on cash flow hedges:									
Unrealized hedge gain arising during period	4	(1)	3	1	(1)	—	4	(1)	3
Reclassification of net (gain) loss to net income:									
Foreign exchange (“FX”) contracts – staff expense	(2)	—	(2)	(1)	—	(1)	3	(1)	2
FX contracts – investment and other revenue	—	—	—	(1)	—	(1)	—	—	—
Total reclassifications to net income	(2)	—	(2)	(2)	—	(2)	3	(1)	2
Net unrealized gain (loss) on cash flow hedges	2	(1)	1	(1)	(1)	(2)	7	(2)	5
Total other comprehensive income	\$ 99	\$ (82)	\$ 17	\$ 1,027	\$ (115)	\$ 912	\$ 500	\$ (77)	\$ 423

(a) Includes the impact of hedges of net investments in foreign subsidiaries. See Note 17 for additional information.

(b) The reclassification adjustment related to the unrealized gain (loss) on assets available-for-sale is recorded as net securities gains (losses), which is included in investment and other revenue on the consolidated income statement. The amortization of prior service credit, net loss and initial obligation included in net periodic benefit cost is recorded as other expense on the consolidated income statement.

## Note 15—Fair value measurement

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. A three-level hierarchy for fair value measurements is utilized based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. BNY Mellon’s own creditworthiness is considered when valuing liabilities. See Note 20 of the Notes to Consolidated Financial Statements in our 2023 Annual Report for

information on how we determine fair value and the fair value hierarchy.

The following tables present the financial instruments carried at fair value at March 31, 2024 and Dec. 31, 2023, by caption on the consolidated balance sheet and by the three-level valuation hierarchy. We have included credit ratings information in certain of the tables because the information indicates the degree of credit risk to which we are exposed, and significant changes in ratings classifications could result in increased risk for us.

**Notes to Consolidated Financial Statements** (continued)

<b>Assets and liabilities measured at fair value on a recurring basis at March 31, 2024</b> <i>(dollars in millions)</i>	Level 1	Level 2	Level 3	Netting (a)	Total carrying value
<b>Assets:</b>					
Available-for-sale securities:					
Non-U.S. government (b)	\$ 3,880	\$ 20,437	\$ —	\$ —	\$ 24,317
U.S. Treasury	20,188	—	—	—	20,188
Agency RMBS	—	16,617	—	—	16,617
Agency commercial MBS	—	7,584	—	—	7,584
Foreign covered bonds	—	7,261	—	—	7,261
CLOs	—	6,265	—	—	6,265
Non-agency commercial MBS	—	2,934	—	—	2,934
U.S. government agencies	—	2,736	—	—	2,736
Non-agency RMBS	—	1,703	—	—	1,703
Other ABS	—	899	—	—	899
Other debt securities	—	1	—	—	1
<b>Total available-for-sale securities</b>	<b>24,068</b>	<b>66,437</b>	<b>—</b>	<b>—</b>	<b>90,505</b>
Trading assets:					
Debt instruments	1,793	1,919	—	—	3,712
Equity instruments	5,060	—	—	—	5,060
Derivative assets not designated as hedging:					
Interest rate	8	947	—	(853)	102
Foreign exchange	—	4,668	—	(3,464)	1,204
Equity and other contracts	—	7	—	(7)	—
<b>Total derivative assets not designated as hedging</b>	<b>8</b>	<b>5,622</b>	<b>—</b>	<b>(4,324)</b>	<b>1,306</b>
<b>Total trading assets</b>	<b>6,861</b>	<b>7,541</b>	<b>—</b>	<b>(4,324)</b>	<b>10,078</b>
Other assets:					
Derivative assets designated as hedging:					
Interest rate	—	278	—	—	278
Foreign exchange	—	106	—	—	106
<b>Total derivative assets designated as hedging</b>	<b>—</b>	<b>384</b>	<b>—</b>	<b>—</b>	<b>384</b>
Other assets (c)	431	456	—	—	887
<b>Total other assets</b>	<b>431</b>	<b>840</b>	<b>—</b>	<b>—</b>	<b>1,271</b>
<b>Assets measured at NAV (c)</b>					<b>166</b>
<b>Total assets</b>	<b>\$ 31,360</b>	<b>\$ 74,818</b>	<b>\$ —</b>	<b>\$ (4,324)</b>	<b>\$ 102,020</b>
Percentage of total assets prior to netting	30%	70%	—%		
<b>Liabilities:</b>					
Trading liabilities:					
Debt instruments	\$ 1,362	\$ 30	\$ —	\$ —	\$ 1,392
Equity instruments	20	—	—	—	20
Derivative liabilities not designated as hedging:					
Interest rate	2	1,306	—	(536)	772
Foreign exchange	—	4,380	—	(3,517)	863
Equity and other contracts	3	98	—	(48)	53
<b>Total derivative liabilities not designated as hedging</b>	<b>5</b>	<b>5,784</b>	<b>—</b>	<b>(4,101)</b>	<b>1,688</b>
<b>Total trading liabilities</b>	<b>1,387</b>	<b>5,814</b>	<b>—</b>	<b>(4,101)</b>	<b>3,100</b>
Other liabilities:					
Derivative liabilities designated as hedging:					
Foreign exchange	—	48	—	—	48
<b>Total derivative liabilities designated as hedging</b>	<b>—</b>	<b>48</b>	<b>—</b>	<b>—</b>	<b>48</b>
Other liabilities	—	22	—	—	22
<b>Total other liabilities</b>	<b>—</b>	<b>70</b>	<b>—</b>	<b>—</b>	<b>70</b>
<b>Total liabilities</b>	<b>\$ 1,387</b>	<b>\$ 5,884</b>	<b>\$ —</b>	<b>\$ (4,101)</b>	<b>\$ 3,170</b>
Percentage of total liabilities prior to netting	19%	81%	—%		

(a) ASC 815, Derivatives and Hedging, permits the netting of derivative receivables and derivative payables under legally enforceable master netting agreements and permits the netting of cash collateral. Netting is applicable to derivatives not designated as hedging instruments included in trading assets or trading liabilities and derivatives designated as hedging instruments included in other assets or other liabilities. Netting is allocated to the derivative products based on the net fair value of each product.

(b) Includes supranational securities.

(c) Includes seed capital, private equity investments and other assets.

**Notes to Consolidated Financial Statements** (continued)

<b>Assets and liabilities measured at fair value on a recurring basis at Dec. 31, 2023</b> <i>(dollars in millions)</i>	Level 1	Level 2	Level 3	Netting (a)	Total carrying value
<b>Assets:</b>					
Available-for-sale securities:					
Non-U.S. government (b)	\$ 2,439	\$ 15,943	\$ —	\$ —	\$ 18,382
U.S. Treasury	16,604	—	—	—	16,604
Agency RMBS	—	13,111	—	—	13,111
Agency commercial MBS	—	7,729	—	—	7,729
Foreign covered bonds	—	6,334	—	—	6,334
CLOs	—	6,137	—	—	6,137
Non-agency commercial MBS	—	2,935	—	—	2,935
U.S. government agencies	—	2,901	—	—	2,901
Non-agency RMBS	—	1,740	—	—	1,740
Other ABS	—	943	—	—	943
Other debt securities	—	1	—	—	1
<b>Total available-for-sale securities</b>	<b>19,043</b>	<b>57,774</b>	<b>—</b>	<b>—</b>	<b>76,817</b>
Trading assets:					
Debt instruments	1,246	2,255	—	—	3,501
Equity instruments	4,518	—	—	—	4,518
Derivative assets not designated as hedging:					
Interest rate	7	1,053	—	(751)	309
Foreign exchange	—	9,227	—	(7,498)	1,729
Equity and other contracts	—	8	—	(7)	1
<b>Total derivative assets not designated as hedging</b>	<b>7</b>	<b>10,288</b>	<b>—</b>	<b>(8,256)</b>	<b>2,039</b>
<b>Total trading assets</b>	<b>5,771</b>	<b>12,543</b>	<b>—</b>	<b>(8,256)</b>	<b>10,058</b>
Other assets:					
Derivative assets designated as hedging:					
Interest rate	—	214	—	—	214
Foreign exchange	—	22	—	—	22
<b>Total derivative assets designated as hedging</b>	<b>—</b>	<b>236</b>	<b>—</b>	<b>—</b>	<b>236</b>
Other assets (c)	486	386	—	—	872
<b>Total other assets</b>	<b>486</b>	<b>622</b>	<b>—</b>	<b>—</b>	<b>1,108</b>
<b>Assets measured at NAV (c)</b>					<b>153</b>
<b>Total assets</b>	<b>\$ 25,300</b>	<b>\$ 70,939</b>	<b>\$ —</b>	<b>\$ (8,256)</b>	<b>\$ 88,136</b>
<b>Percentage of total assets prior to netting</b>	<b>26%</b>	<b>74%</b>	<b>—%</b>		
<b>Liabilities:</b>					
Trading liabilities:					
Debt instruments	\$ 2,508	\$ 12	\$ —	\$ —	\$ 2,520
Equity instruments	23	—	—	—	23
Derivative liabilities not designated as hedging:					
Interest rate	8	1,339	—	(635)	712
Foreign exchange	—	9,282	—	(6,341)	2,941
Equity and other contracts	9	135	—	(114)	30
<b>Total derivative liabilities not designated as hedging</b>	<b>17</b>	<b>10,756</b>	<b>—</b>	<b>(7,090)</b>	<b>3,683</b>
<b>Total trading liabilities</b>	<b>2,548</b>	<b>10,768</b>	<b>—</b>	<b>(7,090)</b>	<b>6,226</b>
Other liabilities:					
Derivative liabilities designated as hedging:					
Foreign exchange	—	173	—	—	173
<b>Total derivative liabilities designated as hedging</b>	<b>—</b>	<b>173</b>	<b>—</b>	<b>—</b>	<b>173</b>
Other liabilities	—	22	—	—	22
<b>Total other liabilities</b>	<b>—</b>	<b>195</b>	<b>—</b>	<b>—</b>	<b>195</b>
<b>Total liabilities</b>	<b>\$ 2,548</b>	<b>\$ 10,963</b>	<b>\$ —</b>	<b>\$ (7,090)</b>	<b>\$ 6,421</b>
<b>Percentage of total liabilities prior to netting</b>	<b>19%</b>	<b>81%</b>	<b>—%</b>		

(a) ASC 815, Derivatives and Hedging, permits the netting of derivative receivables and derivative payables under legally enforceable master netting agreements and permits the netting of cash collateral. Netting is applicable to derivatives not designated as hedging instruments included in trading assets or trading liabilities and derivatives designated as hedging instruments included in other assets or other liabilities. Netting is allocated to the derivative products based on the net fair value of each product.

(b) Includes supranational securities.

(c) Includes seed capital, private equity investments and other assets.

**Notes to Consolidated Financial Statements** (continued)

Details of certain available-for-sale securities measured at fair value on a recurring basis (dollars in millions)	March 31, 2024						Dec. 31, 2023					
	Total carrying value (b)	Ratings (a)					Total carrying value (b)	Ratings (a)				
		AAA/AA-	A+/A-	BBB+/BBB-	BB+ and lower	Not rated		AAA/AA-	A+/A-	BBB+/BBB-	BB+ and lower	Not rated
Non-agency RMBS, originated in:												
2008-2024	\$ 1,459	100%	—%	—%	—%	—%	\$ 1,487	100%	—%	—%	—%	—%
2007 and earlier	244	5	12	1	40	42	253	5	13	1	40	41
Total non-agency RMBS	\$ 1,703	86%	2%	—%	6%	6%	\$ 1,740	86%	2%	—%	6%	6%
Non-agency commercial MBS originated in:												
2009-2023	\$ 2,934	100%	—%	—%	—%	—%	\$ 2,935	100%	—%	—%	—%	—%
Foreign covered bonds:												
Canada	\$ 2,454	100%	—%	—%	—%	—%	\$ 2,473	100%	—%	—%	—%	—%
UK	1,115	100	—	—	—	—	1,035	100	—	—	—	—
Australia	659	100	—	—	—	—	689	100	—	—	—	—
Germany	647	100	—	—	—	—	664	100	—	—	—	—
Other	2,386	100	—	—	—	—	1,473	100	—	—	—	—
Total foreign covered bonds	\$ 7,261	100%	—%	—%	—%	—%	\$ 6,334	100%	—%	—%	—%	—%
Non-U.S. government:												
Germany	\$ 2,712	100%	—%	—%	—%	—%	\$ 2,658	100%	—%	—%	—%	—%
UK	2,211	100	—	—	—	—	1,316	100	—	—	—	—
France	1,832	100	—	—	—	—	1,562	100	—	—	—	—
Canada	1,601	90	10	—	—	—	1,336	95	5	—	—	—
Belgium	868	100	—	—	—	—	511	100	—	—	—	—
Spain	612	—	8	92	—	—	293	—	17	83	—	—
Finland	515	100	—	—	—	—	282	100	—	—	—	—
Singapore	500	100	—	—	—	—	302	100	—	—	—	—
Japan	449	—	100	—	—	—	410	—	100	—	—	—
Netherlands	442	100	—	—	—	—	334	100	—	—	—	—
Norway	374	100	—	—	—	—	374	100	—	—	—	—
Other (c)	1,645	61	17	13	9	—	1,348	70	3	17	10	—
Supranational	10,556	100	—	—	—	—	7,656	100	—	—	—	—
Total non-U.S. government:	\$ 24,317	92%	4%	3%	1%	—%	\$ 18,382	94%	3%	2%	1%	—%

(a) Represents ratings by S&P or the equivalent.

(b) At March 31, 2024 and Dec. 31, 2023, non-U.S. government securities were included in Level 1 and Level 2 in the valuation hierarchy. All other assets in the table are Level 2 assets in the valuation hierarchy.

(c) Includes non-investment grade non-U.S. securities related to Brazil of \$146 million at March 31, 2024 and \$140 million at Dec. 31, 2023.

**Assets and liabilities measured at fair value on a nonrecurring basis**

Under certain circumstances, we make adjustments to the fair value of our assets, liabilities and unfunded lending-related commitments, although they are not measured at fair value on an ongoing basis. The following table presents the carrying value as of March 31, 2024 and Dec. 31, 2023 of financial instruments for which nonrecurring adjustments to fair value have been recorded during 2024 and/or 2023 and all non-readily marketable equity securities carried at cost with upward or downward adjustments by balance sheet caption and level in the fair value hierarchy.

Assets measured at fair value on a nonrecurring basis (in millions)	March 31, 2024				Dec. 31, 2023			
	Level 1	Level 2	Level 3	Total carrying value	Level 1	Level 2	Level 3	Total carrying value
Loans (a)	\$ —	\$ 27	\$ —	\$ 27	\$ —	\$ 28	\$ —	\$ 28
Other assets (b)	—	495	—	495	—	481	—	481
Total assets at fair value on a nonrecurring basis	\$ —	\$ 522	\$ —	\$ 522	\$ —	\$ 509	\$ —	\$ 509

(a) The fair value of these loans was unchanged in the first quarter of 2024 and the fourth quarter of 2023, based on the fair value of the underlying collateral, as required by guidance in ASC 326, Financial Instruments – Credit Losses, with an offset to the allowance for credit losses.

(b) Includes non-readily marketable equity securities carried at cost with upward or downward adjustments and other assets received in satisfaction of debt.



**Estimated fair value of financial instruments**

The following tables present the estimated fair value and the carrying amount of financial instruments not carried at fair value on the consolidated balance sheet at March 31, 2024 and Dec. 31, 2023, by caption on the consolidated balance sheet and by the valuation hierarchy.

Summary of financial instruments  (in millions)	March 31, 2024				
	Level 1	Level 2	Level 3	Total estimated fair value	Carrying amount
<b>Assets:</b>					
Interest-bearing deposits with the Federal Reserve and other central banks	\$ —	\$ 119,197	\$ —	\$ 119,197	\$ 119,197
Interest-bearing deposits with banks	—	10,647	—	10,647	10,636
Federal funds sold and securities purchased under resale agreements	—	29,661	—	29,661	29,661
Securities held-to-maturity	9,162	34,051	—	43,213	48,404
Loans (a)	—	71,851	—	71,851	72,694
Other financial assets	5,305	2,359	—	7,664	7,664
Total	<b>\$ 14,467</b>	<b>\$ 267,766</b>	<b>\$ —</b>	<b>\$ 282,233</b>	<b>\$ 288,256</b>
<b>Liabilities:</b>					
Noninterest-bearing deposits	\$ —	\$ 63,405	\$ —	\$ 63,405	\$ 63,405
Interest-bearing deposits	—	241,685	—	241,685	245,615
Federal funds purchased and securities sold under repurchase agreements	—	15,112	—	15,112	15,112
Payables to customers and broker-dealers	—	19,392	—	19,392	19,392
Borrowings	—	1,202	—	1,202	1,202
Long-term debt	—	31,549	—	31,549	32,396
Total	<b>\$ —</b>	<b>\$ 372,345</b>	<b>\$ —</b>	<b>\$ 372,345</b>	<b>\$ 377,122</b>

(a) Does not include the leasing portfolio.

Summary of financial instruments  (in millions)	Dec. 31, 2023				
	Level 1	Level 2	Level 3	Total estimated fair value	Carrying amount
<b>Assets:</b>					
Interest-bearing deposits with the Federal Reserve and other central banks	\$ —	\$ 111,550	\$ —	\$ 111,550	\$ 111,550
Interest-bearing deposits with banks	—	12,134	—	12,134	12,139
Federal funds sold and securities purchased under resale agreements	—	28,900	—	28,900	28,900
Securities held-to-maturity	9,545	35,166	—	44,711	49,578
Loans (a)	—	65,026	—	65,026	65,977
Other financial assets	4,922	2,149	—	7,071	7,071
Total	<b>\$ 14,467</b>	<b>\$ 254,925</b>	<b>\$ —</b>	<b>\$ 269,392</b>	<b>\$ 275,215</b>
<b>Liabilities:</b>					
Noninterest-bearing deposits	\$ —	\$ 58,274	\$ —	\$ 58,274	\$ 58,274
Interest-bearing deposits	—	221,463	—	221,463	225,395
Federal funds purchased and securities sold under repurchase agreements	—	14,507	—	14,507	14,507
Payables to customers and broker-dealers	—	18,395	—	18,395	18,395
Borrowings	—	1,274	—	1,274	1,274
Long-term debt	—	30,596	—	30,596	31,257
Total	<b>\$ —</b>	<b>\$ 344,509</b>	<b>\$ —</b>	<b>\$ 344,509</b>	<b>\$ 349,102</b>

(a) Does not include the leasing portfolio.

**Note 16—Fair value option**

We elected fair value as an alternative measurement for selected financial assets and liabilities that are not otherwise required to be measured at fair value, including the assets and liabilities of consolidated investment management funds and subordinated notes associated with certain equity investments.

The following table presents the assets and liabilities of consolidated investment management funds, at fair value.

<b>Assets and liabilities of consolidated investment management funds, at fair value</b>		
<i>(in millions)</i>	<b>March 31, 2024</b>	<b>Dec. 31, 2023</b>
Assets of consolidated investment management funds:		
Trading assets	\$ 547	\$ 510
Other assets	21	16
Total assets of consolidated investment management funds	\$ 568	\$ 526
Liabilities of consolidated investment management funds:		
Other liabilities	\$ 5	\$ 1
Total liabilities of consolidated investment management funds	\$ 5	\$ 1

The assets and liabilities of the consolidated investment management funds are included in other assets and other liabilities, respectively, on the consolidated balance sheet. We value the assets and liabilities of consolidated investment management funds using quoted prices for identical assets or liabilities in active markets or observable inputs such as quoted prices for similar assets or liabilities. Quoted prices for either identical or similar assets or liabilities in inactive markets may also be used. Accordingly, fair value best reflects the interests BNY Mellon holds in the economic performance of the consolidated investment management funds. Changes in the fair value of the assets and liabilities are recorded as income (loss) from consolidated investment management funds, which is included in investment and other revenue on the consolidated income statement.

We elected the fair value option on subordinated notes associated with certain equity investments. The fair value of these subordinated notes was \$4 million at March 31, 2024 and \$4 million at Dec. 31, 2023. The subordinated notes were valued using observable market inputs and included in Level 2 of the valuation hierarchy.

**Note 17—Derivative instruments**

We use derivatives to manage exposure to market risk, including interest rate risk, equity price risk and foreign currency risk, as well as credit risk. Our trading activities are focused on acting as a market-maker for our customers and facilitating customer trades in compliance with the Volcker Rule.

The notional amounts for derivative financial instruments express the dollar volume of the transactions; however, credit risk is much smaller. We perform credit reviews and enter into netting agreements and collateral arrangements to minimize the credit risk of derivative financial instruments. We enter into offsetting positions to reduce exposure to foreign currency, interest rate and equity price risk.

Use of derivative financial instruments involves reliance on counterparties. Failure of a counterparty to honor its obligation under a derivative contract is a risk we assume whenever we engage in a derivative contract. There were no counterparty default losses recorded in the first quarter of 2024.

*Hedging derivatives*

We utilize interest rate swap agreements to manage our exposure to interest rate fluctuations. We enter into fair value hedges as an interest rate risk management strategy to reduce fair value variability by converting certain fixed rate interest payments associated with available-for-sale securities, loans and long-term debt to floating interest rates. We also utilize interest rate swaps and forward exchange contracts as cash flow hedges to manage our exposure to interest rate and foreign exchange rate changes.

The available-for-sale securities hedged consist of U.S. Treasury, agency and non-agency commercial MBS, non-U.S. government and foreign covered bonds. At March 31, 2024, \$33.6 billion par value of available-for-sale securities was hedged with interest rate swaps designated as fair value hedges that had notional values of \$33.6 billion.

At March 31, 2024, \$250 million of interest rate swaps was designated as portfolio layer method fair value hedges of loans against a closed portfolio of fixed rate loans of \$3.3 billion, essentially converting \$250 million of such fixed rate loans to a floating rate.

The fixed rate long-term debt instruments hedged generally have original maturities of five to 30 years. In fair value hedging relationships, fixed rate debt is hedged with “receive fixed rate, pay variable rate” swaps. At March 31, 2024, \$23.4 billion par value of debt was hedged with interest rate swaps designated as fair value hedges that had notional values of \$23.4 billion.

In addition, we utilize forward foreign exchange contracts as hedges to mitigate foreign exchange exposures. We use forward foreign exchange contracts as cash flow hedges to convert certain forecasted non-U.S. dollar revenue and expenses into U.S. dollars. We use forward foreign exchange contracts with maturities of 15 months or less as cash flow hedges to hedge our foreign exchange exposure to currencies such as the Indian rupee, Polish zloty, Hong Kong dollar, Singapore dollar, British pound and euro used in revenue and expense transactions for entities that have the U.S. dollar as their functional currency. As of March 31, 2024, the hedged forecasted foreign currency transactions and designated forward foreign exchange contract hedges were \$689 million (notional), with a net pre-tax gain of \$5 million recorded in accumulated other comprehensive income (“OCI”). Over the next 12 months, a gain of \$5 million will be reclassified into earnings.

From time to time, we have utilized forward foreign exchange contracts as fair value hedges of the foreign exchange risk associated with available-for-sale securities. Forward points are designated as an excluded component and amortized into earnings over the hedge period. At March 31, 2024, there were no remaining foreign exchange contracts.

Forward foreign exchange contracts are also used to hedge the value of our net investments in foreign subsidiaries. These forward foreign exchange contracts have maturities of less than one year. The derivatives employed are designated as hedges of changes in value of our foreign investments due to exchange rates. The change in fair market value of these forward foreign exchange contracts is reported within foreign currency translation adjustments in shareholders’ equity, net of tax. At March 31, 2024, forward foreign exchange contracts with notional amounts totaling \$10.6 billion were designated as net investment hedges.

From time to time, we also designate non-derivative financial instruments as hedges of our net investments in foreign subsidiaries. At March 31, 2024, there were no non-derivative financial instruments hedging our net investments in foreign subsidiaries.

The following table presents the pre-tax gains (losses) related to our fair value and cash flow hedging activities recognized in the consolidated income statement.

<b>Income statement impact of fair value and cash flow hedges</b> <i>(in millions)</i>	Location of gains (losses)	<b>1Q24</b>	4Q23	1Q23
Interest rate fair value hedges of available-for-sale securities				
Derivative	Interest income	\$ 449	\$(1,023)	\$ (435)
Hedged item	Interest income	(449)	1,022	434
Interest rate fair value hedges of long-term debt				
Derivative	Interest expense	(221)	645	279
Hedged item	Interest expense	221	(645)	(279)
Interest rate fair value hedges of loans				
Derivative	Interest expense	(1)	—	—
Hedged item	Interest expense	1	—	—
Cash flow hedges of forecasted FX exposures				
Gain (loss) reclassified from OCI into income	Staff expense	2	1	(3)
Gain reclassified from OCI into income	Investment and other revenue	—	1	—
Gain (loss) recognized in the consolidated income statement due to fair value and cash flow hedging relationships		<b>\$ 2</b>	<b>\$ 1</b>	<b>\$ (4)</b>

The following table presents the impact of hedging derivatives used in net investment hedging relationships.

<b>Impact of derivative instruments used in net investment hedging relationships</b>							
<i>(in millions)</i>							
Derivatives in net investment hedging relationships	Gain or (loss) recognized in accumulated OCI on derivatives			Location of gain or (loss) reclassified from accumulated OCI into income	Gain or (loss) reclassified from accumulated OCI into income		
	1Q24	4Q23	1Q23		1Q24	4Q23	1Q23
FX contracts	\$ 198	\$ (355)	\$ (111)	Net interest income	\$ —	\$ —	\$ —

The following table presents information on the hedged items in fair value hedging relationships.

<b>Hedged items in fair value hedging relationships</b>	Carrying amount of hedged asset or liability		Hedge accounting basis adjustment increase (decrease) (a)	
	March 31, 2024	Dec. 31, 2023	March 31, 2024	Dec. 31, 2023
<i>(in millions)</i>				
Available-for-sale securities (b)(c)	\$ 33,228	\$ 29,941	\$ (2,161)	\$ (1,767)
Loans (d)	\$ 251	\$ —	\$ 1	\$ —
Long-term debt	\$ 22,288	\$ 21,854	\$ (1,062)	\$ (846)

(a) Includes \$405 million and \$434 million of basis adjustment decreases on discontinued hedges associated with available-for-sale securities at March 31, 2024 and Dec. 31, 2023, respectively, and \$21 million and \$26 million of basis adjustment decreases on discontinued hedges associated with long-term debt at March 31, 2024 and Dec. 31, 2023, respectively.

(b) Carrying amount represents the amortized cost.

(c) At March 31, 2024, the amortized cost of the available-for-sale securities included in closed portfolios subject to portfolio layer method hedging was \$5.3 billion, of which \$2.5 billion was designated as hedged. The cumulative basis adjustments for active hedging relationships associated with such hedges as of March 31, 2024 was a decrease of \$12 million.

(d) At March 31, 2024, loans included in closed portfolios subject to portfolio layer method hedging was \$3.3 billion, of which \$250 million was designated as hedged. The cumulative basis adjustment for active hedging relationships associated with such hedged as of March 31, 2024 was an increase of \$1 million.

The following table summarizes the notional amount and carrying values of our total derivative portfolio.

<b>Impact of derivative instruments on the balance sheet</b>	Notional value		Asset derivatives fair value		Liability derivatives fair value	
	March 31, 2024	Dec. 31, 2023	March 31, 2024	Dec. 31, 2023	March 31, 2024	Dec. 31, 2023
<i>(in millions)</i>						
<b>Derivatives designated as hedging instruments: (a)(b)</b>						
Interest rate contracts	\$ 57,161	\$ 52,808	\$ 278	\$ 214	\$ —	\$ —
Foreign exchange contracts	11,243	11,099	106	22	48	173
Total derivatives designated as hedging instruments			\$ 384	\$ 236	\$ 48	\$ 173
<b>Derivatives not designated as hedging instruments: (b)(c)</b>						
Interest rate contracts	\$ 157,599	\$ 155,535	\$ 955	\$ 1,060	\$ 1,308	\$ 1,347
Foreign exchange contracts	1,016,850	944,241	4,668	9,227	4,380	9,282
Equity contracts	4,351	3,886	7	8	96	138
Credit contracts	255	220	—	—	5	6
Total derivatives not designated as hedging instruments			\$ 5,630	\$ 10,295	\$ 5,789	\$ 10,773
Total derivatives fair value (d)			\$ 6,014	\$ 10,531	\$ 5,837	\$ 10,946
Effect of master netting agreements (e)			(4,324)	(8,256)	(4,101)	(7,090)
Fair value after effect of master netting agreements			\$ 1,690	\$ 2,275	\$ 1,736	\$ 3,856

(a) The fair value of asset derivatives and liability derivatives designated as hedging instruments is recorded as other assets and other liabilities, respectively, on the consolidated balance sheet.

(b) For derivative transactions settled at clearing organizations, cash collateral exchanged is deemed a settlement of the derivative each day. The settlement reduces the gross fair value of derivative assets and liabilities and results in a corresponding decrease in the effect of master netting agreements, with no impact to the consolidated balance sheet.

(c) The fair value of asset derivatives and liability derivatives not designated as hedging instruments is recorded as trading assets and trading liabilities, respectively, on the consolidated balance sheet.

(d) Fair values are on a gross basis, before consideration of master netting agreements, as required by ASC 815, Derivatives and Hedging.

(e) Effect of master netting agreements includes cash collateral received and paid of \$998 million and \$775 million, respectively, at March 31, 2024, and \$2,353 million and \$1,187 million, respectively, at Dec. 31, 2023.

*Trading activities (including trading derivatives)*

Our trading activities are focused on acting as a market-maker for our customers, facilitating customer trades and risk-mitigating economic hedging in compliance with the Volcker Rule. The change in the fair value of the derivatives utilized in our trading activities is recorded in foreign exchange revenue and investment and other revenue on the consolidated income statement.

The following table presents our foreign exchange revenue and other trading revenue.

<b>Foreign exchange revenue and other trading revenue</b> <i>(in millions)</i>	<b>1Q24</b>	<b>4Q23</b>	<b>1Q23</b>
Foreign exchange revenue	<b>\$ 152</b>	<b>\$ 143</b>	<b>\$ 176</b>
Other trading revenue	<b>69</b>	<b>47</b>	<b>45</b>

Foreign exchange revenue includes income from purchasing and selling foreign currencies, currency forwards, futures and options as well as foreign currency remeasurement. Other trading revenue reflects results from trading in cash instruments, including fixed income and equity securities, and trading and economic hedging activity with non-foreign exchange derivatives.

We also use derivative financial instruments as risk-mitigating economic hedges, which are not formally designated as accounting hedges. This includes hedging the foreign currency, interest rate or market risks inherent in some of our balance sheet exposures, such as seed capital investments and deposits, as well as certain investment management fee revenue streams. We also use total return swaps to economically hedge obligations arising from the Company’s deferred compensation plan whereby the participants defer compensation and earn a return linked to the performance of investments they select. The gains or losses on these total return swaps are recorded in staff expense on the consolidated income statement and was a gain of \$11 million in the first quarter of 2024, \$7 million in the first quarter of 2023 and \$18 million in the fourth quarter of 2023.

We manage trading risk through a system of position limits, a value-at-risk (“VaR”) methodology based on historical simulation and other market sensitivity measures. Risk is monitored and reported to senior management by a separate unit, independent from trading, on a daily basis. Based on certain assumptions, the VaR methodology is designed to

capture the potential overnight pre-tax dollar loss from adverse changes in fair values of all trading positions. The calculation assumes a one-day holding period, utilizes a 99% confidence level and incorporates non-linear product characteristics. The VaR model is one of several statistical models used to develop economic capital results, which are allocated to lines of business for computing risk-adjusted performance.

VaR methodology does not evaluate risk attributable to extraordinary financial, economic or other occurrences. As a result, the risk assessment process includes a number of stress scenarios based upon the risk factors in the portfolio and management’s assessment of market conditions. Additional stress scenarios based upon historical market events are also performed. Stress tests may incorporate the impact of reduced market liquidity and the breakdown of historically observed correlations and extreme scenarios. VaR and other statistical measures, stress testing and sensitivity analysis are incorporated into other risk management materials.

*Counterparty credit risk and collateral*

We assess the credit risk of our counterparties through regular examination of their financial statements, confidential communication with the management of those counterparties and regular monitoring of publicly available credit rating information. This and other information is used to develop proprietary credit rating metrics used to assess credit quality.

Collateral requirements are determined after a comprehensive review of the credit quality of each counterparty. Collateral is generally held or pledged in the form of cash and/or highly liquid government securities. Collateral requirements are monitored and adjusted daily.

Additional disclosures concerning derivative financial instruments are provided in Note 15.

*Disclosure of contingent features in over-the-counter (“OTC”) derivative instruments*

Certain OTC derivative contracts and/or collateral agreements contain credit risk-contingent features triggered upon a rating downgrade in which the counterparty has the right to request additional collateral or the right to terminate the contracts in a net liability position.

The following table shows the aggregate fair value of OTC derivative contracts in net liability positions that contained credit risk-contingent features and the value of collateral that has been posted.

<i>(in millions)</i>	March 31, 2024	Dec. 31, 2023
Aggregate fair value of OTC derivatives in net liability positions (a)	\$ 1,002	\$ 1,003
Collateral posted	\$ 1,009	\$ 1,001

(a) Before consideration of cash collateral.

The aggregate fair value of OTC derivative contracts containing credit risk-contingent features can fluctuate from quarter to quarter due to changes in market conditions, composition of counterparty trades, new business or changes to the contingent features.

The Bank of New York Mellon, our largest banking subsidiary, enters into the substantial majority of our OTC derivative contracts and/or collateral agreements. As such, the contingent features may be triggered if The Bank of New York Mellon's long-term issuer rating were downgraded.

### Offsetting assets and liabilities

The following tables present derivative and financial instruments and their related offsets. There were no derivative instruments or financial instruments subject to a legally enforceable netting agreement for which we are not currently netting.

#### Offsetting of derivative assets and financial assets at March 31, 2024

<i>(in millions)</i>	Gross assets recognized	Gross amounts offset in the balance sheet	Net assets recognized in the balance sheet	Gross amounts not offset in the balance sheet		Net amount
				Financial instruments	Cash collateral received	
Derivatives subject to netting arrangements:						
Interest rate contracts	\$ 1,016	\$ 853	\$ 163	\$ 31	\$ —	\$ 132
Foreign exchange contracts	4,546	3,464	1,082	62	—	1,020
Equity and other contracts	7	7	—	—	—	—
Total derivatives subject to netting arrangements	5,569	4,324	1,245	93	—	1,152
Total derivatives not subject to netting arrangements	445	—	445	—	—	445
Total derivatives	6,014	4,324	1,690	93	—	1,597
Reverse repurchase agreements	179,182	162,579	16,603	16,581	—	22
Securities borrowing	13,058	—	13,058	12,365	—	693
Total	\$ 198,254	\$ 166,903	\$ 31,351	\$ 29,039	\$ —	\$ 2,312

(a) Includes the effect of netting agreements and net cash collateral received. The offset related to the OTC derivatives was allocated to the various types of derivatives based on the net positions.

(b) Offsetting of reverse repurchase agreements relates to our involvement in the Fixed Income Clearing Corporation ("FICC"), where we settle government securities transactions on a net basis for payment and delivery through the Fedwire system.

The following table shows the fair value of contracts falling under early termination provisions that were in net liability positions for three key ratings triggers.

<b>Potential close-out exposures (fair value) (a)</b>		
<i>(in millions)</i>	March 31, 2024	Dec. 31, 2023
If The Bank of New York Mellon's rating changed to: (b)		
A3/A-	\$ 82	\$ 115
Baa2/BBB	\$ 418	\$ 792
Ba1/BB+	\$ 968	\$ 1,920

(a) The amounts represent potential total close-out values if The Bank of New York Mellon's long-term issuer rating were to immediately drop to the indicated levels, and do not reflect collateral posted.

(b) Represents ratings by Moody's/S&P.

If The Bank of New York Mellon's debt rating had fallen below investment grade on March 31, 2024 and Dec. 31, 2023, existing collateral arrangements would have required us to post additional collateral of \$283 million and \$235 million, respectively.

**Offsetting of derivative assets and financial assets at Dec. 31, 2023**

<i>(in millions)</i>	Gross assets recognized	Gross amounts offset in the balance sheet	<i>(a)</i>	Net assets recognized in the balance sheet	Gross amounts not offset in the balance sheet		Net amount
					Financial instruments	Cash collateral received	
Derivatives subject to netting arrangements:							
Interest rate contracts	\$ 979	\$ 751		\$ 228	\$ 60	\$ —	\$ 168
Foreign exchange contracts	8,552	7,498		1,054	320	—	734
Equity and other contracts	7	7		—	—	—	—
Total derivatives subject to netting arrangements	9,538	8,256		1,282	380	—	902
Total derivatives not subject to netting arrangements	993	—		993	—	—	993
Total derivatives	10,531	8,256		2,275	380	—	1,895
Reverse repurchase agreements	169,092	150,667	<i>(b)</i>	18,425	18,422	—	3
Securities borrowing	10,475	—		10,475	10,011	—	464
Total	\$ 190,098	\$ 158,923		\$ 31,175	\$ 28,813	\$ —	\$ 2,362

*(a)* Includes the effect of netting agreements and net cash collateral received. The offset related to the OTC derivatives was allocated to the various types of derivatives based on the net positions.

*(b)* Offsetting of reverse repurchase agreements relates to our involvement in the FICC, where we settle government securities transactions on a net basis for payment and delivery through the Fedwire system.

**Offsetting of derivative liabilities and financial liabilities at March 31, 2024**

<i>(in millions)</i>	Gross liabilities recognized	Gross amounts offset in the balance sheet	<i>(a)</i>	Net liabilities recognized in the balance sheet	Gross amounts not offset in the balance sheet		Net amount
					Financial instruments	Cash collateral pledged	
Derivatives subject to netting arrangements:							
Interest rate contracts	\$ 1,002	\$ 536		\$ 466	\$ 55	\$ —	\$ 411
Foreign exchange contracts	4,205	3,517		688	150	—	538
Equity and other contracts	90	48		42	18	—	24
Total derivatives subject to netting arrangements	5,297	4,101		1,196	223	—	973
Total derivatives not subject to netting arrangements	540	—		540	—	—	540
Total derivatives	5,837	4,101		1,736	223	—	1,513
Repurchase agreements	174,752	162,579	<i>(b)</i>	12,173	12,156	17	—
Securities lending	2,939	—		2,939	2,839	—	100
Total	\$ 183,528	\$ 166,680		\$ 16,848	\$ 15,218	\$ 17	\$ 1,613

*(a)* Includes the effect of netting agreements and net cash collateral paid. The offset related to the OTC derivatives was allocated to the various types of derivatives based on the net positions.

*(b)* Offsetting of repurchase agreements relates to our involvement in the FICC, where we settle government securities transactions on a net basis for payment and delivery through the Fedwire system.

**Offsetting of derivative liabilities and financial liabilities at Dec. 31, 2023**

(in millions)	Gross liabilities recognized	Gross amounts offset in the balance sheet (a)	Net liabilities recognized in the balance sheet	Gross amounts not offset in the balance sheet		Net amount
				Financial instruments	Cash collateral pledged	
Derivatives subject to netting arrangements:						
Interest rate contracts	\$ 1,118	\$ 635	\$ 483	\$ 78	\$ —	\$ 405
Foreign exchange contracts	8,454	6,341	2,113	93	—	2,020
Equity and other contracts	128	114	14	—	—	14
Total derivatives subject to netting arrangements	9,700	7,090	2,610	171	—	2,439
Total derivatives not subject to netting arrangements	1,246	—	1,246	—	—	1,246
Total derivatives	10,946	7,090	3,856	171	—	3,685
Repurchase agreements	162,661	150,667 (b)	11,994	11,966	28	—
Securities lending	2,513	—	2,513	2,404	—	109
Total	\$ 176,120	\$ 157,757	\$ 18,363	\$ 14,541	\$ 28	\$ 3,794

(a) Includes the effect of netting agreements and net cash collateral paid. The offset related to the OTC derivatives was allocated to the various types of derivatives based on the net positions.

(b) Offsetting of repurchase agreements relates to our involvement in the FICC, where we settle government securities transactions on a net basis for payment and delivery through the Fedwire system.

**Secured borrowings**

The following table presents the contract value of repurchase agreements and securities lending transactions accounted for as secured borrowings by the type of collateral provided to counterparties.

**Repurchase agreements and securities lending transactions accounted for as secured borrowings**

(in millions)	March 31, 2024					Dec. 31, 2023				
	Remaining contractual maturity					Remaining contractual maturity				
	Overnight and continuous	Up to 30 days	30-90 days	Over 90 days	Total	Overnight and continuous	Up to 30 days	30-90 days	Over 90 days	Total
Repurchase agreements:										
U.S. Treasury	\$ 135,849	\$ 50	\$ 1,613	\$ 398	\$137,910	\$ 128,304	\$ 15	\$ 1,409	\$ 510	\$130,238
Agency RMBS	28,705	1	814	419	29,939	25,815	—	896	120	26,831
Sovereign debt/sovereign guaranteed	912	1,649	—	—	2,561	1,049	—	—	—	1,049
Corporate bonds	97	121	1,348	583	2,149	103	72	1,315	590	2,080
State and political subdivisions	43	33	496	241	813	37	38	449	257	781
U.S. government agencies	28	—	122	62	212	44	—	61	32	137
Other debt securities	106	100	49	2	257	4	180	73	24	281
Equity securities	—	44	533	334	911	—	10	1,172	82	1,264
Total	\$ 165,740	\$ 1,998	\$ 4,975	\$ 2,039	\$174,752	\$ 155,356	\$ 315	\$ 5,375	\$ 1,615	\$162,661
Securities lending:										
Agency RMBS	\$ 103	\$ —	\$ —	\$ —	\$ 103	\$ 111	\$ —	\$ —	\$ —	\$ 111
Other debt securities	45	—	—	—	45	25	—	—	—	25
Equity securities	2,791	—	—	—	2,791	2,377	—	—	—	2,377
Total	\$ 2,939	\$ —	\$ —	\$ —	\$ 2,939	\$ 2,513	\$ —	\$ —	\$ —	\$ 2,513
Total secured borrowings	\$ 168,679	\$ 1,998	\$ 4,975	\$ 2,039	\$177,691	\$ 157,869	\$ 315	\$ 5,375	\$ 1,615	\$165,174

BNY Mellon's repurchase agreements and securities lending transactions primarily encounter risk associated with liquidity. We are required to pledge collateral based on predetermined terms within the agreements. If we were to experience a decline in the fair value of the collateral pledged for these transactions, we could be required to provide

additional collateral to the counterparty, therefore decreasing the amount of assets available for other liquidity needs that may arise. BNY Mellon also offers tri-party collateral agency services in the tri-party repo market where we are exposed to credit risk. In order to mitigate this risk, we require dealers to fully secure intraday credit.



## Note 18—Commitments and contingent liabilities

### Off-balance sheet arrangements

In the normal course of business, various commitments and contingent liabilities are outstanding that are not reflected in the accompanying consolidated balance sheets.

Our significant trading and off-balance sheet risks are securities, foreign currency and interest rate risk management products, commercial lending commitments, letters of credit and securities lending indemnifications. We assume these risks to reduce interest rate and foreign currency risks, to provide customers with the ability to meet credit and liquidity needs and to hedge foreign currency and interest rate risks. These items involve, to varying degrees, credit, foreign currency and interest rate risks not recognized on the balance sheet. Our off-balance sheet risks are managed and monitored in manners similar to those used for on-balance sheet risks.

The following table presents a summary of our off-balance sheet credit risks.

<b>Off-balance sheet credit risks</b> <i>(in millions)</i>	<b>March 31, 2024</b>	Dec. 31, 2023
Lending commitments	\$ 49,872	\$ 46,518
Standby letters of credit (“SBLC”) (a)	1,694	1,816
Commercial letters of credit	66	41
Securities lending indemnifications (b)(c)	541,366	492,739

- (a) Net of participations totaling \$135 million at March 31, 2024 and \$163 million at Dec. 31, 2023.
- (b) Excludes the indemnification for securities for which BNY Mellon acts as an agent on behalf of CIBC Mellon clients, which totaled \$59 billion at March 31, 2024 and \$59 billion at Dec. 31, 2023.
- (c) Includes cash collateral, invested in indemnified repurchase agreements, held by us as securities lending agent of \$58 billion at March 31, 2024 and \$45 billion at Dec. 31, 2023.

The total potential loss on undrawn lending commitments, standby and commercial letters of credit and securities lending indemnifications is equal to the total notional amount if drawn upon, which does not consider the value of any collateral.

Since many of the lending commitments are expected to expire without being drawn upon, the total amount does not necessarily represent future cash requirements. A summary of lending commitment

maturities is as follows: \$30.3 billion in less than one year, \$19.1 billion in one to five years and \$471 million over five years.

SBLCs principally support obligations of corporate clients and were collateralized with cash and securities of \$162 million at March 31, 2024 and \$158 million at Dec. 31, 2023. At March 31, 2024, \$1.2 billion of the SBLCs will expire within one year, \$466 million in one to five years and \$8 million over five years.

We must recognize, at the inception of an SBLC and foreign and other guarantees, a liability for the fair value of the obligation undertaken in issuing the guarantee. The fair value of the liability, which was recorded with a corresponding asset in other assets, was estimated as the present value of contractual customer fees. The estimated liability for losses related to SBLCs and foreign and other guarantees, if any, is included in the allowance for lending-related commitments.

Payment/performance risk of SBLCs is monitored using both historical performance and internal ratings criteria. BNY Mellon’s historical experience is that SBLCs typically expire without being funded. SBLCs below investment grade are monitored closely for payment/performance risk. The table below shows SBLCs by investment grade:

<b>Standby letters of credit</b>	<b>March 31, 2024</b>	Dec. 31, 2023
Investment grade	71%	74%
Non-investment grade	29%	26%

A commercial letter of credit is normally a short-term instrument used to finance a commercial contract for the shipment of goods from a seller to a buyer. Although the commercial letter of credit is contingent upon the satisfaction of specified conditions, it represents a credit exposure if the buyer defaults on the underlying transaction. As a result, the total contractual amounts do not necessarily represent future cash requirements. Commercial letters of credit totaled \$66 million at March 31, 2024 and \$41 million at Dec. 31, 2023.

We expect many of the lending commitments and letters of credit to expire without the need to advance any cash. The revenue associated with guarantees frequently depends on the credit rating of the obligor and the structure of the transaction, including

collateral, if any. The allowance for lending-related commitments was \$81 million at March 31, 2024 and \$87 million at Dec. 31, 2023.

A securities lending transaction is a fully collateralized transaction in which the owner of a security agrees to lend the security (typically through an agent, in our case, The Bank of New York Mellon) to a borrower, usually a broker-dealer or bank, on an open, overnight or term basis, under the terms of a prearranged contract.

We typically lend securities with indemnification against borrower default. We generally require the borrower to provide collateral with a minimum value of 102% of the fair value of the securities borrowed, which is monitored on a daily basis, thus reducing credit risk. Market risk can also arise in securities lending transactions. These risks are controlled through policies limiting the level of risk that can be undertaken. Securities lending transactions are generally entered into only with highly rated counterparties. Securities lending indemnifications were secured by collateral of \$569 billion at March 31, 2024 and \$518 billion at Dec. 31, 2023.

CIBC Mellon, a joint venture between BNY Mellon and the Canadian Imperial Bank of Commerce (“CIBC”), engages in securities lending activities. CIBC Mellon, BNY Mellon and CIBC jointly and severally indemnify securities lenders against specific types of borrower default. At March 31, 2024 and Dec. 31, 2023, \$59 billion and \$59 billion, respectively, of borrowings at CIBC Mellon, for which BNY Mellon acts as agent on behalf of CIBC Mellon clients, were secured by collateral of \$63 billion and \$62 billion, respectively. If, upon a default, a borrower’s collateral was not sufficient to cover its related obligations, certain losses related to the indemnification could be covered by the indemnitors.

*Unsettled repurchase and reverse repurchase agreements*

In the normal course of business, we enter into repurchase agreements and reverse repurchase agreements that settle at a future date. In repurchase agreements, BNY Mellon receives cash from and provides securities as collateral to a counterparty at settlement. In reverse repurchase agreements, BNY Mellon advances cash to and receives securities as collateral from the counterparty at settlement. These

transactions are recorded on the consolidated balance sheet on the settlement date. At March 31, 2024, we had no unsettled repurchase agreements and \$85.4 billion of unsettled reverse repurchase agreements. At Dec. 31, 2023, we had no unsettled repurchase agreements and \$77.9 billion of unsettled reverse repurchase agreements.

*Industry concentrations*

We have significant industry concentrations related to credit exposure at March 31, 2024. The tables below present our credit exposure in the financial institutions and commercial portfolios.

Financial institutions portfolio exposure (in billions)	March 31, 2024		
	Loans	Unfunded commitments	Total exposure
Securities industry	\$ 2.6	\$ 17.9	\$ 20.5
Asset managers	1.4	8.1	9.5
Banks	7.5	1.4	8.9
Insurance	0.1	3.8	3.9
Government	—	0.3	0.3
Other	0.5	0.8	1.3
<b>Total</b>	<b>\$ 12.1</b>	<b>\$ 32.3</b>	<b>\$ 44.4</b>

Commercial portfolio exposure (in billions)	March 31, 2024		
	Loans	Unfunded commitments	Total exposure
Services and other	\$ 1.4	\$ 3.5	\$ 4.9
Manufacturing	0.8	3.7	4.5
Energy and utilities	0.2	4.0	4.2
Media and telecom	—	0.7	0.7
<b>Total</b>	<b>\$ 2.4</b>	<b>\$ 11.9</b>	<b>\$ 14.3</b>

Major concentrations in securities lending are primarily to broker-dealers and are generally collateralized with cash and/or securities.

*Sponsored member repo program*

BNY Mellon is a sponsoring member in the FICC sponsored member program, where we submit eligible repurchase and reverse repurchase transactions in U.S. Treasury and agency securities (“Sponsored Member Transactions”) between BNY Mellon and our sponsored member clients for novation and clearing through FICC pursuant to the FICC Government Securities Division rulebook (the “FICC Rules”). We also guarantee to FICC the prompt and full payment and performance of our sponsored member clients’ respective obligations under the FICC Rules in connection with such

clients' Sponsored Member Transactions. We minimize our credit exposure under this guaranty by obtaining a security interest in our sponsored member clients' collateral and rights under Sponsored Member Transactions. See "Offsetting assets and liabilities" in Note 17 for additional information on our repurchase and reverse repurchase agreements.

#### *Indemnification arrangements*

We have provided standard representations for underwriting agreements, acquisition and divestiture agreements, sales of loans and commitments, and other similar types of arrangements and customary indemnification for claims and legal proceedings related to providing financial services that are not otherwise included above. Insurance has been purchased to mitigate certain of these risks. Generally, there are no stated or notional amounts included in these indemnifications, and the contingencies triggering the obligation for indemnification are not expected to occur. Furthermore, often counterparties to these transactions provide us with comparable indemnifications. We are unable to develop an estimate of the maximum payout under these indemnifications for several reasons. In addition to the lack of a stated or notional amount in a majority of such indemnifications, we are unable to predict the nature of events that would trigger indemnification or the level of indemnification for a certain event. We believe, however, that the possibility that we will have to make any material payments for these indemnifications is remote. At March 31, 2024 and Dec. 31, 2023, we have not recorded any material liabilities under these arrangements.

#### *Clearing and settlement exchanges*

We are a noncontrolling equity investor in, and/or member of, several industry clearing or settlement exchanges through which foreign exchange, securities, derivatives or other transactions settle. Certain of these industry clearing and settlement exchanges require their members to guarantee their obligations and liabilities and/or to provide liquidity support in the event other members do not honor their obligations. We believe the likelihood that a clearing or settlement exchange (of which we are a member) would become insolvent is remote. Additionally, certain settlement exchanges have implemented loss allocation policies that enable the exchange to allocate settlement losses to the members of the exchange. It is not possible to quantify such mark-to-

market loss until the loss occurs. Any ancillary costs that occur as a result of any mark-to-market loss cannot be quantified. In addition, we also sponsor clients as members on clearing and settlement exchanges and guarantee their obligations. At March 31, 2024 and Dec. 31, 2023, we did not record any material liabilities under these arrangements.

#### *Legal proceedings*

In the ordinary course of business, The Bank of New York Mellon Corporation and its subsidiaries are routinely named as defendants in or made parties to pending and potential legal actions. We also are subject to governmental and regulatory examinations, information-gathering requests, investigations and proceedings (both formal and informal). Claims for significant monetary damages are often asserted in many of these legal actions, while claims for disgorgement, restitution, penalties and/or other remedial actions or sanctions may be sought in governmental and regulatory matters. It is inherently difficult to predict the eventual outcomes of such matters given their complexity and the particular facts and circumstances at issue in each of these matters. However, on the basis of our current knowledge and understanding, we do not believe that judgments, settlements or orders, if any, arising from these matters (either individually or in the aggregate, after giving effect to applicable reserves and insurance coverage) will have a material adverse effect on the consolidated financial position or liquidity of BNY Mellon, although they could have a material effect on our results of operations in a given period.

In view of the inherent unpredictability of outcomes in litigation and regulatory matters, particularly where (i) the damages sought are substantial or indeterminate, (ii) the proceedings are in the early stages, or (iii) the matters involve novel legal theories or a large number of parties, as a matter of course there is considerable uncertainty surrounding the timing or ultimate resolution of litigation and regulatory matters, including a possible eventual loss, fine, penalty or business impact, if any, associated with each such matter. In accordance with applicable accounting guidance, we establish accruals for litigation and regulatory matters when those matters proceed to a stage where they present loss contingencies that are both probable and reasonably estimable. In such cases, there may be a possible exposure to loss in excess of any amounts accrued. We regularly monitor such matters for developments

that could affect the amount of the accrual, and will adjust the accrual amount as appropriate. If the loss contingency in question is not both probable and reasonably estimable, we do not establish an accrual and the matter continues to be monitored for any developments that would make the loss contingency both probable and reasonably estimable. We believe that our accruals for legal proceedings are appropriate and, in the aggregate, are not material to the consolidated financial position of BNY Mellon, although future accruals could have a material effect on the results of operations in a given period. In addition, if we have the potential to recover a portion of an estimated loss from a third party, we record a receivable up to the amount of the accrual that is probable of recovery.

For certain of those matters described here for which a loss contingency may, in the future, be reasonably possible (whether in excess of a related accrued liability or where there is no accrued liability), BNY Mellon is currently unable to estimate a range of reasonably possible loss. For those matters described here where BNY Mellon is able to estimate a reasonably possible loss, the aggregate range of such reasonably possible loss is up to \$660 million in excess of the accrued liability (if any) related to those matters. For matters where a reasonably possible loss is denominated in a foreign currency, our estimate is adjusted quarterly based on prevailing exchange rates. We do not consider potential recoveries when estimating reasonably possible losses.

The following describes certain judicial, regulatory and arbitration proceedings involving BNY Mellon:

#### Mortgage-Securitization Trusts Proceedings

BNY Mellon has been named as a defendant in a number of legal actions brought by MBS investors alleging that the trustee has expansive duties under the governing agreements, including the duty to investigate and pursue breach of representation and warranty claims against other parties to the MBS transactions. Two actions commenced in December 2015 and February 2017 are pending in New York federal court. In New York state court, six actions are pending: one case commenced in May 2016; two related cases commenced in September 2021 and October 2022; and three related cases commenced in October 2021, December 2021 and February 2022.

#### Matters Related to R. Allen Stanford

In late December 2005, Pershing LLC (“Pershing”) became a clearing firm for Stanford Group Co. (“SGC”), a registered broker-dealer that was part of a group of entities ultimately controlled by R. Allen Stanford (“Stanford”). Stanford International Bank, also controlled by Stanford, issued certificates of deposit (“CDs”). Some investors allegedly wired funds from their SGC accounts to purchase CDs. In 2009, the Securities and Exchange Commission charged Stanford with operating a Ponzi scheme in connection with the sale of CDs, and SGC was placed into receivership. Alleged purchasers of CDs have filed two putative class action proceedings against Pershing: one in November 2009 in Texas federal court, and one in May 2016 in New Jersey federal court. On Nov. 5, 2021, the court dismissed the class action filed in New Jersey and that matter has concluded. Three lawsuits remain against Pershing in Louisiana and New Jersey federal courts, which were filed in January 2010, October 2015 and May 2016. The purchasers allege that Pershing, as SGC’s clearing firm, assisted Stanford in a fraudulent scheme and assert contractual, statutory and common law claims. In March 2019, a group of investors filed a putative class action against The Bank of New York Mellon in New Jersey federal court, making the same allegations as in the prior actions brought against Pershing. On Nov. 12, 2021, the court dismissed the class action against The Bank of New York Mellon; on Dec. 15, 2022, an appeals court reversed the dismissal and returned the case to the trial court for further proceedings. All the cases that have been brought in federal court have been consolidated in Texas federal court for discovery purposes. Various alleged Stanford CD purchasers asserted similar claims in Financial Industry Regulatory Authority, Inc. (“FINRA”) arbitration proceedings.

#### Brazilian Postalis Litigation

BNY Mellon Servicos Financeiros DTVM S.A. (“DTVM”), a subsidiary that provides asset services in Brazil, acts as administrator for certain investment funds in which a public pension fund for postal workers called Postalis-Instituto de Seguridade Social dos Correios e Telégrafos (“Postalis”) invested. On Aug. 22, 2014, Postalis sued DTVM in Rio de Janeiro, Brazil for losses related to a Postalis fund for which DTVM is administrator. Postalis alleges that DTVM failed to properly perform duties, including to conduct due diligence of and exert control over the manager. On March 12, 2015, Postalis filed a lawsuit in Rio de Janeiro against DTVM and BNY Mellon

Administração de Ativos Ltda. (“Ativos”) alleging failure to properly perform duties relating to another fund of which DTVM is administrator and Ativos is manager. On Dec. 14, 2015, Associação dos Profissionais dos Correios (“ADCAP”), a Brazilian postal workers association, filed a lawsuit in São Paulo against DTVM and other defendants alleging that DTVM improperly contributed to Postalís investment losses. On March 20, 2017, the lawsuit was dismissed without prejudice, and ADCAP appealed. On Aug. 4, 2021, the appellate court overturned the dismissal and sent the lawsuit to a state lower court. On March 2, 2023, DTVM appealed the August 4 decision to Brazil’s Superior Court of Justice. On Dec. 17, 2015, Postalís filed three lawsuits in Rio de Janeiro against DTVM and Ativos alleging failure to properly perform duties with respect to investments in several other funds. On May 20, 2021, the court in one of those lawsuits entered a judgment of approximately \$3 million against DTVM and Ativos. On Aug. 23, 2021, DTVM and Ativos filed an appeal of the May 20 decision. On June 7, 2022, the appellate court partially granted and partially denied the appeal, reducing the judgment to approximately \$2 million. On July 13, 2023, DTVM and Ativos filed a further appeal to Brazil’s Superior Court of Justice. On Aug. 24, 2022, the court dismissed one of the other lawsuits. On Nov. 24, 2022, Postalís appealed that decision. On Oct. 24, 2023, Postalís’s appeal was denied. On Feb. 4, 2016, Postalís filed a lawsuit in Brasilia against DTVM, Ativos and BNY Mellon Alocação de Patrimônio Ltda. (“Alocação de Patrimônio”), an investment management subsidiary, alleging failure to properly perform duties and liability for losses with respect to investments in various funds of which the defendants were administrator and/or manager. On Jan. 16, 2018, the Brazilian Federal Prosecution Service filed a civil lawsuit in São Paulo against DTVM alleging liability for Postalís losses based on alleged failures to properly perform certain duties as administrator to certain funds in which Postalís invested or as controller of Postalís’s own investment portfolio. On April 18, 2018, the court dismissed the lawsuit without prejudice. On Aug. 4, 2021, the appellate court overturned the dismissal and returned the lawsuit to the lower court. On April 11, 2022, DTVM appealed the Aug. 4 decision to Brazil’s Superior Court of Justice. On Aug. 21, 2023, DTVM’s appeal was denied. In addition, the Tribunal de Contas da União (“TCU”), an administrative tribunal, has initiated proceedings with

the purpose of determining liability for losses to three investment funds administered by DTVM in which Postalís was an investor. On Sept. 9, 2020, TCU rendered a decision in one of the proceedings, finding DTVM and two former Postalís directors jointly and severally liable for approximately \$50 million. TCU also imposed on DTVM a fine of approximately \$2 million. DTVM’s administrative appeal of the decision was denied. On Feb. 25, 2022, DTVM filed a lawsuit in Brazil federal court in Brasilia seeking annulment of TCU’s decision and an injunction preventing TCU from enforcing the judgment. On Aug. 24, 2022, the Brazilian Federal Attorneys filed an action in Rio de Janeiro court seeking to enforce the fine portion of the judgment. On Nov. 8, 2022, the Brasilia federal court in the annulment action granted DTVM’s request for an injunction, suspending the Sept. 9, 2020 TCU decision until the annulment action is decided. On Oct. 4, 2019, Postalís and another pension fund filed a request for arbitration in São Paulo against DTVM and Ativos alleging liability for losses to an investment fund for which DTVM was administrator and Ativos was manager. On March 26, 2021, DTVM and Ativos filed a lawsuit in São Paulo challenging the decision rendered by the Arbitration Court with respect to its jurisdiction over the case. On Feb. 24, 2023, the São Paulo court annulled the Arbitration Court’s decision that it had jurisdiction, and Postalís and the other pension fund have appealed. On Sept. 21, 2023, the São Paulo court issued an order suspending the arbitration; the Arbitration Court implemented the suspension on Oct. 6, 2023. On April 8, 2024, the appellate court reversed the São Paulo court’s decision and found that the Arbitration Court did have jurisdiction. DTVM plans to further appeal. On Oct. 25, 2019, Postalís filed a lawsuit in Rio de Janeiro against DTVM and Alocação de Patrimônio, alleging liability for losses in another fund for which DTVM was administrator and Alocação de Patrimônio and Ativos were managers. On May 9, 2022, the court found DTVM and Alocação de Patrimônio jointly and severally liable for approximately \$20 million. On Aug. 12, 2022, DTVM and Alocação de Patrimônio appealed the decision. On June 19, 2020, a lawsuit was filed in federal court in Rio de Janeiro against DTVM, Postalís, and various other defendants alleging liability against DTVM for certain Postalís losses in an investment fund of which DTVM was administrator. On Feb. 10, 2021, Postalís and another pension fund served DTVM in a lawsuit filed in Rio de Janeiro, alleging liability for losses in another

investment fund for which DTVM was administrator and the other defendant was manager.

#### Brazilian Silverado Litigation

DTVM acts as administrator for the Fundo de Investimento em Direitos Creditórios Multisetorial Silverado Maximum (“Silverado Maximum Fund”), which invests in commercial credit receivables. On June 2, 2016, the Silverado Maximum Fund sued DTVM in its capacity as administrator, along with Deutsche Bank S.A. - Banco Alemão in its capacity as custodian and Silverado Gestão e Investimentos Ltda. in its capacity as investment manager. The Fund alleges that each of the defendants failed to fulfill its respective duty, and caused losses to the Fund for which the defendants are jointly and severally liable. On March 21, 2024, the São Paulo court issued a decision finding DTVM, Deutsche Bank and Silverado Gestão e Investimentos jointly liable for losses to the Fund in an amount to be determined during a later calculation phase. DTVM plans to appeal.

#### German Tax Matters

German authorities are investigating past “cum/ex” trading, which involved the purchase of equity securities on or shortly before the dividend date, but settled after that date, potentially resulting in an unwarranted refund of withholding tax. German authorities have taken the view that past cum/ex trading may have resulted in tax avoidance or evasion. European subsidiaries of BNY Mellon have been informed by German authorities about investigations into potential cum/ex trading by certain third-party investment funds, where one of the subsidiaries had acquired entities that served as depositary and/or fund manager for those third-party investment funds. We have received information requests from the authorities relating to pre-acquisition activity and are cooperating fully with those requests. In August 2019, the District Court of Bonn ordered that one of these subsidiaries be joined as a secondary party in connection with the prosecution of unrelated individual defendants. Trial commenced in September 2019. In March 2020, the court stated that it would refrain from taking action against the subsidiary in order to expedite the conclusion of the trial. The court convicted the unrelated individual defendants, and determined that the cum/ex trading activities of the relevant third-party investment funds were unlawful. In November and December 2020 and February 2023, we received secondary liability notices from the German tax

authorities totaling approximately \$150 million (at then-prevailing exchange rates) related to pre-acquisition activity in various funds for which the entities we acquired were depositary and/or fund manager. We have appealed the notices. In connection with the acquisition of the subject entities, we obtained an indemnity for liabilities from the sellers that we intend to pursue as necessary.

#### Off-Channel Business-Related Communications

The Company has been responding to a request for information from the SEC concerning compliance with recordkeeping obligations relating to business communications transmitted on unapproved electronic communication platforms. SEC Staff has stated that it is conducting similar inquiries into recordkeeping practices at other financial institutions. The Company is cooperating with the inquiry. In April 2023, the Company received a similar request from the Commodity Futures Trading Commission and is cooperating with that inquiry as well.

#### Pershing Rule 15c3-3 Matter

The Company has been responding to investigative requests for information and records from the SEC concerning Pershing LLC’s compliance with its obligations under SEC Rule 15c3-3, among other regulatory rules and statutes. The Company continues to cooperate with the inquiry.

### **Note 19—Business segments**

We have an internal information system that produces performance data along product and service lines for our three principal business segments and the Other segment. The primary products and services and types of revenue for our principal businesses and a description of the Other segment are presented in Note 24 of the Notes to Consolidated Financial Statements in our 2023 Annual Report.

#### *Business accounting principles*

Our business data has been determined on an internal management basis of accounting, rather than GAAP, which is used for consolidated financial reporting. These measurement principles are designed so that reported results of the businesses will track their economic performance.

Business segment results are subject to reclassification when organizational changes are made, or for refinements in revenue and expense

allocation methodologies. Refinements are typically reflected on a prospective basis. In the first quarter of 2024, we made certain realignments of similar products and services within our lines of business. The largest change was the movement of Institutional Solutions from Pershing to Clearance and Collateral Management, both in the Market and Wealth Services business segment. We made other smaller changes that moved activity from Asset Servicing in the Securities Services business segment to Treasury Services in the Market and Wealth Services business segment, and from Wealth Management in the Investment and Wealth Management business segment and Pershing in the Market and Wealth Services business segment to Investment Management in the Investment and Wealth Management business segment. The Other segment was not impacted by the changes. Prior period business segment results have been revised to reflect these changes.

The accounting policies of the businesses are the same as those described in Note 1 of the Notes to Consolidated Financial Statements in our 2023 Annual Report.

The results of our business segments are presented and analyzed on an internal management reporting basis.

- Revenue amounts reflect fee and other revenue generated by each business and include revenue for services provided between the segments that are also provided to third parties. Fee and other revenue transferred between businesses under revenue transfer agreements is included within other fees in each segment.
- Revenues and expenses associated with specific client bases are included in those businesses. For example, foreign exchange activity associated with clients using custody products is included in the Securities Services segment.
- Net interest income is allocated to businesses based on the yields on the assets and liabilities generated by each business. We employ a funds

transfer pricing system that matches funds with the specific assets and liabilities of each business based on their interest sensitivity and maturity characteristics.

- The provision for credit losses associated with the respective credit portfolios is reflected in each segment.
- Incentives expense related to restricted stock and RSUs is allocated to the segments.
- Support and other indirect expenses, including services provided between segments that are not provided to third parties or not subject to a revenue transfer agreement, are allocated to the businesses based on internally developed methodologies and reflected in noninterest expense.
- Recurring FDIC expense is allocated to the businesses based on average deposits generated within each business.
- Severance expense is recorded in the segments based on the business or function the impacted employees reside, with severance related to corporate staff, technology and operations reflected in the Other segment.
- Litigation expense is generally recorded in the business in which the charge occurs.
- Management of the securities portfolio is a shared service contained in the Other segment. As a result, gains and losses associated with the valuation of the securities portfolio are generally included in the Other segment.
- Client deposits serve as the primary funding source for our securities portfolio. We typically allocate all interest income to the businesses generating the deposits.
- Balance sheet assets and liabilities and their related income or expense are specifically assigned to each business. Segments with a net liability position have been allocated assets.
- Goodwill and intangible assets are reflected within individual businesses.

The following consolidating schedules present the contribution of our segments to our overall profitability.

<b>For the quarter ended March 31, 2024</b>						
<i>(dollars in millions)</i>	Securities Services	Market and Wealth Services	Investment and Wealth Management		Other	Consolidated
Total fee and other revenue	\$ 1,556	\$ 1,094	\$ 805	(a)	\$ 30	\$ 3,485 (a)
Net interest income (expense)	583	423	41		(7)	1,040
Total revenue	2,139	1,517	846	(a)	23	4,525 (a)
Provision for credit losses	11	5	(1)		12	27
Noninterest expense	1,537	834	740		65	3,176
Income (loss) before income taxes	\$ 591	\$ 678	\$ 107	(a)	\$ (54)	\$ 1,322 (a)
Pre-tax operating margin (b)	28%	45%	13%		N/M	29%
Average assets	\$ 191,544	\$ 123,552	\$ 26,272		\$ 62,617	\$ 403,985

(a) Total fee and other revenue, total revenue and income before income taxes are net of income attributable to noncontrolling interests related to consolidated investment management funds of \$2 million.

(b) Income before income taxes divided by total revenue.

N/M – Not meaningful.

<b>For the quarter ended Dec. 31, 2023</b>						
<i>(dollars in millions)</i>	Securities Services	Market and Wealth Services	Investment and Wealth Management		Other (a)	Consolidated (a)
Total fee and other revenue	\$ 1,544	\$ 1,060	\$ 634	(b)	\$ 21	\$ 3,259 (b)
Net interest income (expense)	635	436	45		(15)	1,101
Total revenue	2,179	1,496	679	(b)	6	4,360 (b)
Provision for credit losses	64	28	(2)		(6)	84
Noninterest expense	1,653	837	685		820	3,995
Income (loss) before income taxes	\$ 462	\$ 631	\$ (4)	(b)	\$ (808)	\$ 281 (b)
Pre-tax operating margin (c)	21%	42%	(1)%		N/M	6%
Average assets	\$ 200,040	\$ 132,357	\$ 26,341		\$ 42,867	\$ 401,605

(a) The prior period was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 for additional information.

(b) Total fee and other revenue, total revenue and income before income taxes are net of (loss) attributable to noncontrolling interests related to consolidated investment management funds of \$(2) million.

(c) Income before income taxes divided by total revenue.

N/M – Not meaningful.

<b>For the quarter ended March 31, 2023</b>						
<i>(dollars in millions)</i>	Securities Services	Market and Wealth Services	Investment and Wealth Management		Other (a)	Consolidated (a)
Total fee and other revenue	\$ 1,443	\$ 1,018	\$ 785	(b)	\$ 41	\$ 3,287 (b)
Net interest income (expense)	666	453	45		(36)	1,128
Total revenue	2,109	1,471	830	(b)	5	4,415 (b)
Provision for credit losses	—	—	—		27	27
Noninterest expense	1,540	782	737		41	3,100
Income (loss) before income taxes	\$ 569	\$ 689	\$ 93	(b)	\$ (63)	\$ 1,288 (b)
Pre-tax operating margin (c)	27%	47%	11%		N/M	29%
Average assets	\$ 196,560	\$ 132,005	\$ 28,370		\$ 50,343	\$ 407,278

(a) The prior period was restated to reflect the retrospective application of adopting new accounting guidance related to our investments in renewable energy projects using the proportional amortization method (ASU 2023-02). See Note 2 for additional information.

(b) Total fee and other revenue, total revenue and income before income taxes are net of income (loss) attributable to noncontrolling interests related to consolidated investment management funds of \$— million.

(c) Income before income taxes divided by total revenue.

N/M – Not meaningful.



**Note 20—Supplemental information to the Consolidated Statement of Cash Flows**

Non-cash investing and financing transactions that, appropriately, are not reflected in the consolidated statement of cash flows are listed below.

<b>Non-cash investing and financing transactions</b> <i>(in millions)</i>	<b>Three months ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Change in assets of consolidated investment management funds	\$ 42	\$ 227
Change in liabilities of consolidated investment management funds	4	—
Change in nonredeemable noncontrolling interests of consolidated investment management funds	61	65
Securities purchased not settled	1,010	240
Securities sold not settled	(6)	(162)
Premises and equipment/operating lease obligations	45	98
Excise tax on share repurchases	6	10

## Item 4. Controls and Procedures

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### *Disclosure controls and procedures*

Our management, including the Chief Executive Officer and Chief Financial Officer, with participation by the members of the Disclosure Committee, has responsibility for ensuring that there is an adequate and effective process for establishing, maintaining, and evaluating disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in our SEC reports is timely recorded, processed, summarized and reported and that information required to be disclosed by BNY Mellon is accumulated and communicated to BNY Mellon's management to allow timely decisions regarding the required disclosure. In addition, our ethics hotline can also be used by employees and others for the anonymous communication of concerns about financial controls or reporting matters. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

As of the end of the period covered by this report, an evaluation was carried out under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective.

### *Changes in internal control over financial reporting*

In the ordinary course of business, we may routinely modify, upgrade or enhance our internal controls and procedures for financial reporting. There have not been any changes in our internal control over financial reporting as defined in Rule 13a-15(f) of the Exchange Act during the first quarter of 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Some statements in this Quarterly Report are forward-looking. These include statements about the usefulness of Non-GAAP measures, the future results of BNY Mellon, our businesses, financial, liquidity and capital condition, results of operations, liquidity, risk and capital management and processes, goals, strategies, outlook, objectives, expectations (including those regarding our performance results, expenses, nonperforming assets, products, impacts of currency fluctuations, impacts of securities portfolio repositioning, impacts of trends on our businesses, regulatory, technology, market, economic or accounting developments and the impacts of such developments on our businesses, legal proceedings and other contingencies), human capital management (including related ambitions, objectives, aims and goals), effective tax rate, net interest income, estimates (including those regarding expenses, losses inherent in our credit portfolios and capital ratios), intentions (including those regarding our capital returns and expenses, including our investments in technology and pension expense), targets, opportunities, potential actions, transition to a platforms operating model, growth and initiatives.

In this report, any other report, any press release or any written or oral statement that BNY Mellon or its executives may make, words, such as “estimate,” “forecast,” “project,” “anticipate,” “likely,” “target,” “expect,” “intend,” “continue,” “seek,” “believe,” “plan,” “goal,” “could,” “should,” “would,” “may,” “might,” “will,” “strategy,” “synergies,” “opportunities,” “trends,” “momentum,” “ambition,” “aspiration,” “objective,” “aim,” “future,” “potentially,” “outlook” and words of similar meaning, may signify forward-looking statements.

These forward-looking statements, and other forward-looking statements contained in other public disclosures of BNY Mellon, are not guarantees of future results or occurrences, are inherently uncertain and are based upon current beliefs and expectations of future events, many of which are, by their nature, difficult to predict, outside of our control and subject to change. By identifying these statements in this manner, we are alerting investors to the possibility that our actual results may differ, possibly materially, from the anticipated results expressed or implied in these forward-looking statements as a result of a number of important factors, including those factors described in “Risk Factors” in our 2023 Annual Report, such as:

- errors or delays in our operational and transaction processing, or those of third parties, may materially adversely affect our business, financial condition, results of operations and reputation;
- our risk management framework, models and processes may not be effective in identifying or mitigating risk and reducing the potential for losses and any inadequacy or lapse in our risk management framework, models and processes could expose us to unexpected losses that could materially adversely affect our results of operations or financial condition;
- a communications or technology disruption or failure within our infrastructure or the infrastructure of third parties that results in a loss of information, delays our ability to access information or impacts our ability to provide services to our clients may materially adversely affect our business, financial condition and results of operations;
- a cybersecurity incident, or a failure in our computer systems, networks and information, or those of third parties, could result in the theft, loss, disclosure, use or alteration of information, unauthorized access to or loss of information, or system or network failures. Any such incident or failure could adversely impact our ability to conduct our businesses, damage our reputation and cause losses;
- we are subject to extensive government rulemaking, policies, regulation and supervision that impact our operations. Changes to and introduction of new rules and regulations have compelled, and in the future may compel, us to change how we manage our businesses, which could have a material adverse effect on our business, financial condition and results of operations;
- regulatory or enforcement actions or litigation could materially adversely affect our results of operations or harm our businesses or reputation;
- our business may be adversely affected if we are unable to attract, retain, develop and motivate employees;
- a failure or circumvention of our controls, policies and procedures could have a material adverse effect on our business, financial condition, results of operations and reputation;

- weakness and volatility in financial markets and the economy generally may materially adversely affect our business, financial condition and results of operations;
- we are dependent on fee-based business for a substantial majority of our revenue and our fee-based revenues could be adversely affected by slowing market activity, weak financial markets, underperformance and/or negative trends in savings rates or in investment preferences;
- levels of and changes in interest rates have impacted, and will in the future continue to impact, our profitability and capital levels, at times adversely;
- we have experienced, and may continue to experience, unrealized or realized losses on securities related to volatile and illiquid market conditions, reducing our capital levels and/or earnings;
- reform of interest rate benchmarks and the use of alternative reference rates by us and our clients could adversely affect our business, financial condition and results of operations;
- the failure or perceived weakness of any of our significant clients or counterparties, many of whom are major financial institutions or sovereign entities, and our assumption of credit, counterparty and concentration risk, could expose us to credit losses and adversely affect our business;
- we could incur losses if our allowance for credit losses, including loan and lending-related commitment reserves, is inadequate or if our expectations of future economic conditions deteriorate;
- our business, financial condition and results of operations could be adversely affected if we do not effectively manage our liquidity;
- failure to satisfy regulatory standards, including “well capitalized” and “well managed” status or capital adequacy and liquidity rules more generally, could result in limitations on our activities and adversely affect our business and financial condition;
- the Parent is a non-operating holding company and, as a result, is dependent on dividends from its subsidiaries and extensions of credit from its IHC to meet its obligations, including with respect to its securities, and to provide funds for share repurchases, payment of income taxes and payment of dividends to its stockholders;
- our ability to return capital to shareholders is subject to the discretion of our Board of Directors and may be limited by U.S. banking laws and regulations, including those governing capital and capital planning, applicable provisions of Delaware law and our failure to pay full and timely dividends on our preferred stock;
- any material reduction in our credit ratings or the credit ratings of our principal bank subsidiaries, The Bank of New York Mellon, BNY Mellon, N.A. or The Bank of New York Mellon SA/NV, could increase the cost of funding and borrowing to us and our rated subsidiaries and have a material adverse effect on our business, financial condition and results of operations and on the value of the securities we issue;
- the application of our Title I preferred resolution strategy or resolution under the Title II orderly liquidation authority could adversely affect the Parent’s liquidity and financial condition and the Parent’s security holders;
- new lines of business, new products and services or transformational or strategic project initiatives subject us to new or additional risks, and the failure to implement these initiatives could affect our results of operations;
- we are subject to competition in all aspects of our business, which could negatively affect our ability to maintain or increase our profitability;
- our strategic transactions present risks and uncertainties and could have an adverse effect on our business, financial condition and results of operations;
- our businesses may be negatively affected by adverse events, publicity, government scrutiny or other reputational harm;
- ESG concerns, including climate change, could adversely affect our business, affect client activity levels, subject us to additional regulatory requirements and damage our reputation;
- impacts from geopolitical events, acts of terrorism, natural disasters, the physical effects of climate change, pandemics and other similar events may have a negative impact on our business and operations;
- tax law changes or challenges to our tax positions with respect to historical transactions may adversely affect our net income, effective tax rate and our overall results of operations and financial condition; and

- changes in accounting standards governing the preparation of our financial statements and future events could have a material impact on our reported financial condition, results of operations, cash flows and other financial data.

Investors should not place undue reliance on any forward-looking statement and should consider all risk factors discussed in the 2023 Annual Report and any subsequent reports filed with the SEC by BNY Mellon pursuant to the Exchange Act. All forward-looking statements speak only as of the date on which such statements are made, and BNY Mellon undertakes no obligation to update any statement to reflect events or circumstances after the date on which such forward-looking statement is made or to reflect the occurrence of unanticipated events. The contents of BNY Mellon's website or any other website referenced herein are not part of this report.

## Part II – Other Information

### Item 1. Legal Proceedings.

The information required by this Item is set forth in the “Legal proceedings” section in Note 18 of the

Notes to Consolidated Financial Statements, which portion is incorporated herein by reference in response to this item.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

- (c) The following table discloses repurchases of our common stock made in the first quarter of 2024. All of the Company’s preferred stock outstanding has preference over the Company’s common stock with respect to the payment of dividends.

#### *Issuer purchases of equity securities*

Share repurchases – first quarter of 2024			Total shares repurchased as part of a publicly announced plan or program	Maximum approximate dollar value of shares that may yet be purchased under the publicly announced plans or programs at March 31, 2024
<i>(dollars in millions, except per share amounts; common shares in thousands)</i>	Total shares repurchased	Average price per share		
January 2024	4,983	\$ 55.02	4,983	\$ 2,122
February 2024	8,582	55.31	8,582	1,647
March 2024	4,304	55.59	4,304	1,408
<b>First quarter of 2024 (a)</b>	<b>17,869</b>	<b>\$ 55.30</b>	<b>17,869</b>	<b>\$ 1,408 (b)</b>

- (a) Includes 2.4 million shares repurchased at a purchase price of \$134 million from employees, primarily in connection with the employees’ payment of taxes upon the vesting of restricted stock. The average price per share of open market repurchases was \$55.30.
- (b) Represents the maximum value of the shares to be repurchased under the share repurchase plan announced in January 2023 and includes shares repurchased in connection with employee benefit plans.

In January 2023, we announced a share repurchase program approved by our Board of Directors providing for the repurchase of up to \$5.0 billion of common shares beginning Jan. 1, 2023. This new share repurchase plan replaced all previously authorized share repurchase plans.

In April 2024, we announced a new authorization providing for the repurchase of \$6.0 billion of common shares in addition to any remaining capacity under the existing January 2023 authorization.

Share repurchases may be executed through open market repurchases, in privately negotiated transactions or by other means, including through repurchase plans designed to comply with Rule 10b5-1 and other derivative, accelerated share repurchase and other structured transactions. The timing and exact amount of any common stock repurchases will depend on various factors, including market conditions and the common stock trading price; the Company’s capital position, liquidity and

financial performance; alternative uses of capital; and legal and regulatory limitations and considerations.

### Item 5. Other Information.

- (c) Certain of our officers or directors have made elections to participate in, and are participating in, our dividend reinvestment plan, employee stock purchase plan and 401(k) plan, and have made, and may from time to time make, elections to have shares withheld to cover withholding taxes or pay the exercise price of stock awards, which may be designed to satisfy the affirmative defense conditions of Rule 10b5-1 under the Exchange Act or may constitute non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K).

### Item 6. Exhibits.

The list of exhibits required to be filed as exhibits to this report appears below.

## Index to Exhibits

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Exhibit	Description	Method of Filing
3.1	Restated Certificate of Incorporation of The Bank of New York Mellon Corporation.	<a href="#">Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 000-52710) as filed with the Securities and Exchange Commission (the "Commission") on July 2, 2007, and incorporated herein by reference.</a>
3.2	Certificate of Amendment to The Bank of New York Mellon Corporation's Restated Certificate of Incorporation, as filed with the Secretary of State of the State of Delaware on April 9, 2019.	<a href="#">Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-35651) as filed with the Commission on April 10, 2019, and incorporated herein by reference.</a>
3.3	Certificate of Designations of The Bank of New York Mellon Corporation with respect to the Series A Noncumulative Preferred Stock, dated June 15, 2007.	<a href="#">Previously filed as Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 000-52710) as filed with the Commission on July 5, 2007, and incorporated herein by reference.</a>
3.4	Certificate of Designations of The Bank of New York Mellon Corporation with respect to the Series F Noncumulative Perpetual Preferred Stock, dated July 29, 2016.	<a href="#">Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-35651) as filed with the Commission on Aug. 1, 2016, and incorporated herein by reference.</a>
3.5	Certificate of Designations of The Bank of New York Mellon Corporation with respect to the Series G Noncumulative Perpetual Preferred Stock, dated May 15, 2020.	<a href="#">Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-35651) as filed with the Commission on May 19, 2020, and incorporated herein by reference.</a>
3.6	Certificate of Designations of The Bank of New York Mellon Corporation with respect to the Series H Noncumulative Perpetual Preferred Stock, dated Nov. 2, 2020.	<a href="#">Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-35651) as filed with the Commission on Nov. 3, 2020, and incorporated herein by reference.</a>
3.7	Certificate of Designations of The Bank of New York Mellon Corporation with respect to the Series I Noncumulative Perpetual Preferred Stock, dated Nov. 16, 2021.	<a href="#">Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-35651) as filed with the Commission on Nov. 18, 2021, and incorporated herein by reference.</a>
3.8	Amended and Restated By-Laws of The Bank of New York Mellon Corporation, as amended and restated on Aug. 8, 2023.	<a href="#">Previously filed as Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-35651) as filed with the Commission on Aug. 11, 2023, and incorporated herein by reference.</a>
4.1	None of the instruments defining the rights of holders of long-term debt of the Parent or any of its subsidiaries represented long-term debt in excess of 10% of the total assets of the Company as of March 31, 2024. The Company hereby agrees to furnish to the Commission, upon request, a copy of any such instrument.	N/A
10.1	Dassault Aircraft Time Sharing Agreement, entered into as of Jan. 23, 2023, by and between The Bank of New York Mellon and Robin Vince, as modified as of March 18, 2024.	<a href="#">Filed herewith.</a>

Exhibit	Description	Method of Filing
22.1	Subsidiary Issuer of Guaranteed Securities.	<a href="#">Previously filed as Exhibit 22.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-35651) for the quarter ended March 31, 2021, and incorporated herein by reference.</a>
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	<a href="#">Filed herewith.</a>
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	<a href="#">Filed herewith.</a>
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	<a href="#">Furnished herewith.</a>
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	<a href="#">Furnished herewith.</a>
101.INS	Inline XBRL Instance Document.	The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	Filed herewith.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	Filed herewith.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	Filed herewith.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	Filed herewith.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	Filed herewith.
104	The cover page of The Bank of New York Mellon Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, formatted in inline XBRL.	The cover page interactive data file is embedded within the inline XBRL document and included in Exhibit 101.



**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE BANK OF NEW YORK MELLON CORPORATION  
(Registrant)

Date: May 3, 2024

By: /s/ Kurtis R. Kurimsky  
Kurtis R. Kurimsky  
Corporate Controller  
(Duly Authorized Officer and  
Principal Accounting Officer of  
the Registrant)

### AIRCRAFT TIME SHARING AGREEMENT

This Aircraft Time Sharing Agreement (the “Agreement”) is entered into as of January 23, 2023 (the “Effective Date”), by and between **The Bank of New York Mellon**, a New York corporation (“Lessor”), and Robin Vince, an individual (“Lessee”).<sup>1</sup>

#### RECITALS

- A. Lessor is in legal possession of the Aircraft (as defined below).
- B. Lessor employs (or contracts for the services of) a fully qualified flight crew to operate the Aircraft.
- C. Lessee desires from time to time to lease the Aircraft, with a flight crew, on a non-exclusive basis, from Lessor on a time sharing basis as defined in Section 91.501(c)(1) of the FAR (as defined below) and in accordance with Sections 91.501(b)(6), 91.501(c)(1) and 91.501(d) of the FAR.
- D. Lessor is willing to lease the Aircraft, with flight crew, on a non-exclusive basis, to Lessee on such a time sharing basis.
- E. During the term of this Agreement, the Aircraft will be subject to use by Lessor and Lessor Related Persons (as defined in Section 6.3).

#### AGREEMENT

NOW, THEREFORE, Lessor and Lessee, in consideration of the promises of the other set forth herein, intending to be legally bound, hereby agree as follows:

##### 1. **Definitions.**

1.1. **Specific Terms.** The following defined terms shall have the following meanings when used in this Agreement. The meanings assigned by this Agreement shall apply to the plural, singular, possessive or any other form of the term. Words of the masculine, feminine or neuter gender used in this Agreement include all other genders.

“**Agreement**” is defined in the preamble.

“**Aircraft**” means the Airframe, the Engines, and the Aircraft Documents. Such Engines shall be deemed part of the “Aircraft” whether or not from time to time attached to the Airframe or removed from the Aircraft.

“**Aircraft Documents**” means, as to the Aircraft, all flights, records, maintenance records, historical records, modification records, overhaul records, manuals, logbooks, authorizations, drawings

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<sup>1</sup> As of March 18, 2024, the Agreement was modified to provide that the Agreement shall automatically and immediately terminate upon Lessor’s closing on the sale of the Aircraft and neither party shall have further obligation to the other thereunder.

and data relating to the Airframe, any Engine or any Part, that are required by Applicable Law to be created or maintained with respect to the maintenance and/or operation of the Aircraft.

“**Airframe**” means the Airframe described in Schedule 1 attached hereto and made a part hereof, as the same may be amended from time to time as set forth below, together with any and all Parts (including, but not limited to, landing gear and auxiliary power units, but excluding Engines or engines) so long as such Parts shall be either incorporated or installed in or attached to the Airframe.

“**Applicable Law**” means, without limitation, all applicable laws, treaties, international agreements, decisions and orders of any court, arbitration or governmental agency or authority and rules, regulations, orders, directives, licenses and permits of any governmental body, instrumentality, agency or authority, including, without limitation, the FAR and 49 U.S.C. § 41101, et seq., as amended.

“**Business Day**” means Monday through Friday, exclusive of legal holidays under the laws of the United States or the State of New York.

“**Default Rate**” means a per annum rate of interest equal to the SOFR, plus one percent (1%).

“**Effective Date**” means the date so specified in the preamble of this Agreement.

“**Engine(s)**” means the engine(s) identified in Schedule 1 (or any replacement or loaner engines), as the same may be amended from time to time as set forth below, together with any and all Parts so long as the same shall be either incorporated or installed in or attached to such Engine.

“**FAA**” means the Federal Aviation Administration or any successor agency.

“**FAR**” means collectively the Aeronautics Regulations of the Federal Aviation Administration and the Department of Transportation, as codified at Title 14, Parts 1 to 399 of the United States Code of Federal Regulations.

“**Lessee**” is defined in the preamble.

“**Lessor**” is defined in the preamble.

“**Lessor Related Person**” is defined in Section 6.3.

“**Operational Control**” has the same meaning given the term in Section 1.1 of the FAR.

“**Owner**” means The Bank of New York Mellon.

“**Parts**” means all appliances, components, parts, instruments, appurtenances, accessories, furnishings or other equipment of whatever nature (other than complete Engines or engines) which may from time to time be incorporated or installed in or attached to the Airframe or any Engine and includes replacement parts.

“**Pilot in Command**” has the same meaning given the term in Section 1.1 of the FAR.

“**Taxes**” means all sales taxes, use taxes, retailer taxes, duties, fees, excise taxes (including, without limitation federal transportation excise taxes), or other taxes of any kind which may be assessed or levied by any Taxing Jurisdiction as a result of the lease of the Aircraft to Lessee, or the use of the Aircraft by Lessee, or the provision of a taxable transportation service to Lessee using the Aircraft.

“**Taxing Jurisdiction**” means any federal, state, county, local, airport, district, foreign, or other governmental authority that imposes Taxes.

“**Term**” means the term of this Agreement set forth in Section 3.

1.2. **Other Terms.** Unless otherwise specified, the following terms, whether or not capitalized, will have the following meanings as used in this Agreement. “Hereof,” “herein,” “hereunder,” and similar terms refer to this Agreement as a whole, and are not limited to the section or subdivision of this Agreement in which the term appears. “Includes,” “including,” and similar terms mean without limitation. “Person” includes any natural person, corporation, general or limited partnership, limited liability company, other incorporated or unincorporated association, trust, governmental body or other entity.

## 2. **Agreement to lease.**

2.1. **Agreement to lease.** Lessor agrees to lease the Aircraft to Lessee on an “as needed and as available” basis, and to provide a fully qualified flight crew for all flights of Lessee, in accordance with the terms and conditions of this Agreement.

2.2. **Intent and Interpretation.** The parties hereto intend that this Agreement shall constitute, and this Agreement shall be interpreted as, a Time Sharing Agreement as defined in Section 91.501(c)(1) of the FAR.

2.3. **Non-Exclusivity.** Lessee acknowledges that the Aircraft is leased to Lessee hereunder on a non-exclusive basis, and that the Aircraft will also be subject to use by Lessor and Lessor’s Related Persons.

3. **Term.** The initial term (the “Initial Term”) of this Agreement begins on the Effective Date, and ends on the 6-month anniversary of the Effective Date (subject to earlier termination as provided below). At the end of the Initial Term, this Agreement shall automatically be renewed for successive 6-month terms until terminated as provided below. Notwithstanding the foregoing, Lessee shall have the right to terminate this Agreement with or without cause on thirty (30) days written notice to Lessor. After the Initial Term, Lessor shall have the right to terminate this Agreement with or without cause on thirty (30) days written notice to Lessee; provided, however, this Agreement may be terminated on such shorter notice as may be required to comply with Applicable Law, the requirements of any financial institution, or insurance requirements.

## 4. **Payments.**

4.1. **Flight Charges.** Lessee shall pay Lessor for each flight conducted for Lessee under this Agreement an amount equal to the maximum amount of expense reimbursement permitted in accordance with Section 91.501(d) of the FAR, which expenses include and are limited to:

- 4.1.1. fuel oil, lubricants, and other additives;
- 4.1.2. travel expenses of the crew, including food, lodging and ground transportation;
- 4.1.3. hangar and tie down costs away from the Aircraft’s base of operation;
- 4.1.4. insurance obtained for the specific flight;

- 4.1.5. landing fees, airport taxes and similar assessments;
- 4.1.6. customs, foreign permit, and similar fees directly related to the flight;
- 4.1.7. in-flight food and beverages;
- 4.1.8. passenger ground transportation;
- 4.1.9. flight planning and weather contract services; and
- 4.1.10. an additional charge equal to 100% of the expenses listed in Section 4.1.1.

4.2. **Invoices and Payment.** Lessor will initially pay all expenses related to the operation of the Aircraft in the ordinary course, provided that as soon as practicable after the last day of any calendar month during which any flight for the account of Lessee has been conducted, Lessor shall provide an invoice to Lessee for an amount determined in accordance with Section 4.1 above. Lessee shall remit the full amount of any such invoice, together with any applicable Taxes under Section 5, to Lessor promptly within thirty (30) days of receipt of the invoice. In the event Lessor has not received a supplier invoice for reimbursable charges relating to any such flight prior to such invoicing, Lessor shall re-compute the amount determined in accordance with Section 4.1 above and if an additional amount is due from Lessee to Lessor, issue a supplemental invoice for such charges to Lessee as soon as practicable after the date of receipt of such supplier invoice, and Lessee shall pay such supplemental invoice amount upon receipt thereof. Delinquent payments, defined as payments received more than thirty (30) days after receipt of invoice, to Lessor by Lessee hereunder shall bear interest at the Default Rate from the due date until the date of payment. Lessee shall further pay all costs incurred Lessor by in collecting any amounts due from Lessee pursuant to the provisions of this Section 4.2 after delinquency, including court costs and reasonable attorneys' fees.

5. **Taxes.** None of the payments to be made by Lessee under Section 4 of this Agreement includes, and Lessee shall be responsible for, shall indemnify and hold harmless Lessor against, any Taxes which may be assessed or levied by any Taxing Jurisdiction as a result of the lease of the Aircraft to Lessee, or the use of the Aircraft by Lessee, or the provision of a taxable transportation service to that Lessee using the Aircraft. Without limiting the generality of the foregoing, Lessee and Lessor specifically acknowledge that all Lessee's flights will be subject to commercial air transportation excise taxes pursuant to Section 4261 of the Internal Revenue Code of 1986, as amended, regardless of whether any such flight is considered "noncommercial" under the FAR. Lessee shall remit to Lessor all such Taxes together with each payment made pursuant to Section 4.2.

## 6. **Scheduling Flights.**

6.1. **Submitting Flight Requests.** Lessee shall submit requests for flights and proposed flight schedules to Lessor as far in advance of any given flight as possible, preferably at least two (2) Business Days prior to Lessee's desired departure date. Requests for flights and proposed flight schedules shall be in a form, whether written or oral, mutually convenient to, and agreed upon by, Lessor and Lessee. In addition to requests for flights and proposed flight schedules, Lessee shall provide Lessor at least the following information for each proposed flight as soon as possible prior to scheduled departure:

- 6.1.1. departure airport;
- 6.1.2. destination airport;

- 6.1.3. date and time of outbound departure (including any multiple leg destinations);
- 6.1.4. the number of anticipated passengers and their names;
- 6.1.5. the nature and extent of luggage and/or cargo to be carried;
- 6.1.6. the date and time of return flight (including any multiple leg destinations), if any;
- 6.1.7. for international trips, passport information and Customs-required information for all passengers; and
- 6.1.8. any other information concerning the proposed flight that may be pertinent or required by Lessor's flight crew.

Until such time as Lessor notifies Lessee otherwise, all flight requests hereunder shall be submitted to the following representative of Lessor:

Travel Services

6.2. **Coordination of Flight Requests.** Each use of the Aircraft by Lessee shall be subject to Lessor's prior approval. Lessor will use reasonable efforts to accommodate Lessee's needs and avoid conflicts in scheduling; provided however, that Lessor shall not be liable to Lessee or any other person for loss, injury, or damage occasioned by any delay or failure to furnish the Aircraft, with a flight crew, pursuant to this Agreement for any reason. Lessor shall not be obligated to retain or contract for additional flight crew or maintenance personnel or equipment in order to accommodate a flight request submitted by Lessee.

6.3. **Subordinated Use of Aircraft.** Lessee's rights to schedule the use of the Aircraft shall at all times be subordinate to the Aircraft use requirements of Lessor, and any parent corporation, subsidiary or affiliate of Lessor ("Lessor Related Persons").

## 7. **Title and Operation.**

7.1. **Title and Registration.** Lessee acknowledges that title to the Aircraft shall remain vested in Owner, and Lessee undertakes, to the extent permitted by Applicable Law to do all such further acts, deeds, assurances, or things as may, in the reasonable opinion of Owner or Lessor, be necessary or desirable in order to protect or preserve Owner's title to the Aircraft. To the extent requested by Owner or Lessor, or their respective and assigns, Lessee shall take all action necessary to continue all rights and interests of Owner, and their respective successors or assigns in the Aircraft under Applicable Law against any claims of Lessee and any persons claiming by, through, or under Lessee.

7.2. **Aircraft Maintenance.** Lessor shall be solely responsible for maintenance, preventative maintenance, and required or otherwise necessary inspections of the Aircraft, and shall take such requirements into account in scheduling the Aircraft. No period of maintenance, preventative maintenance, or inspection shall be delayed or postponed for the purpose of scheduling the Aircraft, unless said maintenance or inspection can be safely conducted at a later time in compliance with all Applicable Law, and with the sound discretion of the Pilot in Command.

7.3. **Flight Crews.** Lessor shall provide to Lessee a qualified flight crew for each flight conducted in accordance with this Agreement. Lessor may, if it so chooses, elect not to hire its own pilots for any given flight hereunder, but to contract instead for pilot services from a third party. Whether or not the flight crew is supplied by a third party, the flight crew is under the exclusive command and control of Lessor in all phases of all flights conducted hereunder.

7.4. **OPERATIONAL CONTROL.** THE PARTIES EXPRESSLY AGREE THAT LESSOR SHALL HAVE AND MAINTAIN OPERATIONAL CONTROL OF THE AIRCRAFT FOR ALL FLIGHTS OPERATED UNDER THIS AGREEMENT, AND THAT THE INTENT OF THE PARTIES IS THAT THIS AGREEMENT CONSTITUTE A "TIME SHARING AGREEMENT" AS SUCH TERM IS DEFINED IN SECTION 91.501(C)(1) OF THE FAR. LESSOR SHALL EXERCISE EXCLUSIVE AUTHORITY OVER INITIATING, CONDUCTING, OR TERMINATING ANY FLIGHT CONDUCTED ON BEHALF OF LESSEE PURSUANT TO THIS AGREEMENT.

7.5. **Authority of Pilot in Command.** Notwithstanding that Lessor shall have Operational Control of the Aircraft during any flight conducted pursuant to this Agreement, Lessor and Lessee expressly agree that the Pilot in Command, in his or her sole discretion, may terminate any flight, refuse to commence any flight, or take any other flight-related action which in the judgment of the Pilot in Command is necessitated by considerations of safety. The Pilot in Command shall have final and complete authority to postpone or cancel any flight for any reason or condition which in his or her judgment would compromise the safety of the flight. No such action of the Pilot in Command shall create or support any liability of Lessor to Lessee for loss, injury, damage, or delay.

7.6. **Base of Operation.** For purposes of this Agreement, the base of operation is Teterboro Airport, New Jersey (KTEB); provided, however, that the base of operation for purposes of this Agreement may be changed temporarily or permanently by Lessor without notice. Lessor will make reasonable efforts to notify Lessee of changes in the base of operations at least forty-eight (48) hours prior to Lessee's scheduled flights.

7.7. **Force Majeure.** Lessor shall not be liable for delay or failure to furnish the Aircraft and flight crew pursuant to this Agreement when such failure is caused by government regulation or authority, mechanical difficulty, war, civil commotion, strikes or labor disputes, weather conditions, acts of God, or other unforeseen or unanticipated circumstances.

8. **Insurance and Limitation of Liability.** Lessor represents that the flight operations for the Aircraft as contemplated in this Agreement will be covered by the Lessor's aircraft all-risk physical damage insurance (hull coverage), aircraft bodily injury and property damage liability insurance. Lessor will retain all rights and benefits with respect to the proceeds payable under policies of hull insurance maintained by Lessor that may be payable as a result of any incident or occurrence while an Aircraft is being operated on behalf of Lessee under this Agreement.

8.1. **Additional policy requirements.** Any policies of insurance carried in accordance with this Agreement and any policies taken out in substitution or replacement of any such policies shall:

8.1.1. name Lessee as an additional insured;

8.1.2. include a severability of interest clause providing that such policy shall operate in the same manner as if there were a separate policy covering each insured;

8.1.3. shall be primary, without right of contribution from any other insurance maintained by Lessee; and

8.1.4. as respects hull physical damage, waive any right of set off or subrogation against Lessee.

8.2. **Limitation of Liability.** Lessee agrees that the insurance specified in this Section 8 provides its sole recourse for all claims, losses, liabilities, obligations, demands, suits, judgments or causes of action, penalties, fines, costs and expenses of any nature whatsoever, including attorneys' fees and expenses for or on account of or arising out of, or in any way connected with the use of the Aircraft by Lessee or its guests, including injury to or death of any persons, including Lessee and its guests which may result from or arise out of the use or operation of the Aircraft during the term of this Agreement ("Claims"), regardless of whether such Claims arise out of or are caused by, in whole or in part, the negligence, gross negligence, or strict liability of Lessor.

8.3. In no event shall Lessor be liable to Lessee or his employees, agents, representatives, guests, or invitees for any claims or liabilities, including property damage or injury and death, and expenses, including attorney's fees, in excess of the amount paid by Lessor's insurance carrier in the event of such loss.

8.4. Upon request, the Lessor shall deliver to Lessee a certificate of insurance evidencing the insurance required to be maintained by Lessor under this Article.

8.5. This Section shall survive termination of this Agreement.

9. **Representations and Warranties.** Lessee represents and warrants that Lessee shall:

9.1. use the Aircraft solely for and on account of his own business or personal use only, and will not use the Aircraft for the purpose of providing transportation of passengers or cargo for compensation or hire, for or in connection with any illegal purpose, in violation of any Applicable Law, or in violation of any insurance policy with respect to Aircraft;

9.2. refrain from incurring any mechanic's or other lien in connection with inspection, preventative maintenance, maintenance, or storage of the Aircraft, whether permissible or impermissible under this Agreement;

9.3. not attempt to convey, mortgage, assign, lease, lease, or in any way alienate the Aircraft or create any kind of lien or security interest involving the Aircraft, or do anything or take any action that might mature into such a lien; and

9.4. abide by and conform, during the Term, to all Applicable Laws, governmental and airport orders, rules and regulations, as shall from time to time be in effect relating in any way to the operation and use of the Aircraft by Lessee.

10. **Miscellaneous.**

10.1. **Notices.** All notices hereunder (except for notices made purely for flight scheduling, which are governed by the provisions of Section 6) shall be delivered by hand, sent by reputable guaranteed overnight delivery service, or sent by first-class United States mail, certified, postage prepaid, return receipt requested to the addresses of the parties set forth below:



If to Lessor:

James J. Killerlane III  
Corporate Secretary, Managing Director and Deputy General Counsel  
240 Greenwich Street, 18<sup>th</sup> Floor  
New York, NY 10286  
T: ###-###-####

If to Lessee:

Robin Vince  
240 Greenwich Street  
New York, NY 10286  
T: ###-###-####

Notice shall be deemed given when delivered or sent in the manner provided herein. At any time, either party may change its address for purposes of notices under this Agreement by giving notice to the other party in accordance herewith.

10.2. **No Waiver.** No purported waiver by either party of any default by the other party of any term or provision contained herein shall be deemed to be a waiver of such term or provision unless the waiver is in writing and signed by the waiving party. No such waiver shall in any event be deemed a waiver or any subsequent default under the same or any other term or provision contained herein.

10.3. **Entire Agreement.** This Agreement sets forth the entire understanding between the parties concerning the subject matter of this Agreement and incorporates all prior negotiations and understandings. There are no covenants, promises, agreements, conditions or understandings, either oral or written, between them relating to the subject matter of this Agreement other than those set forth herein. No representation or warranty has been made by or on behalf of any party (or any officer, director, employee, or agent thereof) to induce any other party to enter into this Agreement or to abide by or consummate any transaction contemplated by any terms of this Agreement, except representations and warranties, if any, expressly set forth herein. No alteration, amendment, change, or addition to this Agreement shall be binding upon either party unless in writing and signed by the party to be charged.

10.4. **No Agency or Partnership.** Nothing contained in this Agreement shall be deemed or construed by the parties hereto or by any third person to create the relationship of principal and agent or of partnership or of joint venture.

10.5. **Successors and Assigns.** Each and all of the provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, and except as otherwise specifically provided in this Agreement, their respective successors and assigns, provided, however, that neither this Agreement, nor any rights herein granted may be assigned, transferred, or encumbered by Lessee, and any purported or attempted transfer or assignment by Lessee without the prior express written consent of Lessor shall be void and of no effect.

10.6. **Third Parties.** Nothing herein expressed or implied is intended or shall be construed to confer upon or give any person other than the parties hereto and their successors and assigns any rights or remedies under or by reason of this Agreement.

10.7. **Captions; Recitals.** The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. The captions and section numbers do not define, limit, construe, or describe the scope or intent of the provisions of this Agreement. The Recitals at the beginning of this Agreement are intended to give an understanding of the factual background that led the parties to enter into this Agreement. The Recitals are not intended to be warranties, representations, covenants, or otherwise contractually binding.

10.8. **Prohibited or Unenforceable Provisions.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. To the extent permitted by Applicable Law, each of Lessor and Lessee hereby waives any provision of Applicable Law which renders any provision hereof prohibited or unenforceable in any respect.

10.9. **Governing Law.** The Agreement shall be governed and construed by the provisions hereof and in accordance with the laws of the State of New York applicable to agreements to be performed in the State of New York, without giving effect to its conflict of laws provisions. Any disputes arising out of this Agreement will be subject to the exclusive jurisdiction of the U.S. District Court located in New York County, New York if federal jurisdiction is available and to the courts of the State of New York if federal jurisdiction is not available.

10.10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original and part of one and the same document.

11. **Required Filings.** Lessee authorizes Lessor at any time, and from time to time, to file any such document with the FAA and/or such other governmental agencies or offices as Lessor shall judge to be necessary or desirable in the name of, and on behalf of, Lessee, which authorization and power is coupled with an interest and shall be irrevocable.

12. **Disclaimer.** The Aircraft is being leased by Lessor to Lessee hereunder on a completely “as is, where is” basis, which is acknowledged and agreed to by Lessee. The warranties and representations set forth in this Agreement are exclusive and in lieu of all other representations or warranties whatsoever, express or implied, and Lessor has not made and shall not be construed or deemed to have made (whether by virtue of having leased the Aircraft under this Agreement, having leased the Aircraft from Lessor, having done or failed to do any act, or having acquired or failed to acquire any status under or in relation to this Agreement or otherwise) any other representation or warranty whatsoever, express or implied, with respect to the Aircraft or to any Part thereof, and specifically, without limitation, in this respect disclaims all representations and warranties concerning the title, airworthiness, value, condition, design, merchantability, compliance with specifications, construction and condition of the Aircraft, or fitness for a particular use of the Aircraft, and as to the absence of latent and other defects, whether or not discoverable, and as to the absence of any infringement or the like hereunder of any patent, trademark, or copyright, and as to the absence of obligations based on strict liability in tort, or as to the quality of the material or workmanship of the Aircraft or any part thereof, or any other representation or warranty whatsoever, express or implied (including any implied warranty arising from a course of performance, dealing, or usage of trade), with respect to the Aircraft or any Part thereof.

Lessee hereby waives, releases, disclaims and renounces all expectation of or reliance upon any such and other warranties, obligations, and liabilities of Lessor and rights, claims, and remedies of Lessee against Lessor express or implied, arising by law or otherwise, including but not limited to: (i) any implied warranty of merchantability or fitness for any particular use; (ii) any implied warranty arising from course

of performance, course of dealing, or usage of trade; (iii) any obligation, liability, right, claim, or remedy in tort, whether or not arising from the negligence of Lessor, actual or imputed; and (iv) any obligation, liability, right, claim, or remedy for loss of or damage to the Aircraft, for loss of use, revenue, or profit with respect to the Aircraft, or for any other direct, indirect, incidental, or consequential damages.

**13. Truth in Leasing Disclosures.**

13.1. The parties hereto certify that a true copy of this Agreement shall be carried on the Aircraft at all times and shall be made available for inspection upon request by an appropriately constituted and identified representative of the Administrator of the FAA.

13.2. Lessor shall, for and on behalf of Lessor and Lessee, mail a copy of this Agreement by certified mail, return receipt requested, to: Federal Aviation Administration, Aircraft Registration Branch, Attn: Technical Section, P.O. Box 25724, Oklahoma City, Oklahoma 73125, within twenty-four (24) hours after execution of this Agreement.

13.3. At least forty-eight (48) hours before the first flight under this Agreement, Lessor shall, for and on behalf of Lessor and Lessee, comply with the notification requirements of Section 91.23(c)(3) of the FAR by notifying by telephone or in person the responsible Flight Standards office nearest the airport where such first flight will originate of the following: (i) the location of the airport of departure, (ii) the departure time, and (iii) the registration number of the Aircraft.

13.4. WITHIN THE TWELVE (12) MONTH PERIOD PRECEDING THE EFFECTIVE DATE, EXCEPT TO THE EXTENT THE AIRCRAFT IS LESS THAN TWELVE (12) MONTHS OLD, THE AIRCRAFT HAVE BEEN INSPECTED AND MAINTAINED IN ACCORDANCE WITH THE FOLLOWING PROVISIONS OF FAR: FAR 91.409(F)(3) – A CURRENT INSPECTION PROGRAM RECOMMENDED BY THE MANUFACTURER.

13.5. THE PARTIES HERETO CERTIFY THAT, DURING THE TERM OF THIS AGREEMENT AND FOR ALL OPERATIONS CONDUCTED HEREUNDER, THE AIRCRAFT WILL BE MAINTAINED AND INSPECTED IN ACCORDANCE WITH THE PROVISIONS OF FAR 91.409(F)(3).

13.6. LESSOR, WHOSE ADDRESS APPEARS IN SECTION 10.1 ABOVE AND WHOSE AUTHORIZED SIGNATURE APPEARS BELOW, SHALL HAVE AND RETAIN OPERATIONAL CONTROL OF THE AIRCRAFT DURING ALL OPERATIONS CONDUCTED PURSUANT TO THIS AGREEMENT. EACH PARTY HERETO CERTIFIES THAT IT UNDERSTANDS THE EXTENT OF ITS RESPONSIBILITIES SET FORTH HEREIN FOR COMPLIANCE WITH APPLICABLE FEDERAL AVIATION REGULATIONS. AN EXPLANATION OF FACTORS BEARING ON OPERATIONAL CONTROL AND PERTINENT FEDERAL AVIATION REGULATIONS CAN BE OBTAINED FROM THE RESPONSIBLE FLIGHT STANDARDS OFFICE.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed effective as of the date first above written.

**LESSOR:**

**The Bank of New York Mellon**

By: /s/ James J. Killerlane III

\_\_\_\_\_  
Name: James J. Killerlane III

Title: Corporate Secretary, Managing  
Director and Deputy General Counsel

**LESSEE:**

**Robin Vince**

By: /s/ Robin Vince

\_\_\_\_\_  
Name: Robin Vince  
Title: Chief Executive Officer

## CERTIFICATION

I, Robin Vince, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Bank of New York Mellon Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 3, 2024

/s/ Robin Vince

Name: Robin Vince

Title: Chief Executive Officer

## CERTIFICATION

I, Dermot McDonogh, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Bank of New York Mellon Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 3, 2024

/s/ Dermot McDonogh

Name: Dermot McDonogh

Title: Chief Financial Officer

**CERTIFICATION**

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of The Bank of New York Mellon Corporation (“BNY Mellon”), hereby certifies, to his knowledge, that BNY Mellon’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of BNY Mellon.

Dated: May 3, 2024

/s/ Robin Vince

Name: Robin Vince

Title: Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

**CERTIFICATION**

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of The Bank of New York Mellon Corporation (“BNY Mellon”), hereby certifies, to his knowledge, that BNY Mellon’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of BNY Mellon.

Dated: May 3, 2024

/s/ Dermot McDonogh

Name: Dermot McDonogh

Title: Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.