

ESG REPORT 2022

MESSAGE FROM OUR CEO

A Message from Robin Vince, President and CEO, BNY Mellon

The past year was a stark and difficult reminder of how interconnected our world is, and the seriousness of the challenges we all face – whether it is the war in Ukraine, the highest level of inflation in decades, disrupted energy markets in Europe, or the volatility and uncertainty the financial system has experienced in the first half of 2023. It is as clear today as ever that when facing challenges like these, the resilience of the financial system is critical. BNY Mellon takes its role seriously, and the services we provide to clients both strengthens the system and goes hand-in-hand with our responsibility to deliver shareholder value and sustainable growth.

I see it as a privilege and responsibility to work with clients, shareholders and the public sector to make positive contributions to society. In this year's ESG report, we highlight a few of the many ways we are helping build resilience in capital markets.

With an approach centered on client choice, we offer a suite of commercial solutions to grow the sustainable finance market. In 2022, BNY Mellon administered 118 new green bond issuances totaling \$61 billion, representing 22% of global market share in deal count and making us one of the leading trustees in green bonds by deal volume. We are proud to leverage our breadth of competencies to collaborate with companies, industries and governments to help them achieve their goals and meet increasingly complex financing needs. As an example, we collaborated with the United Nations this year to expand access to sustainable financing for several African countries via a first-of-its-kind repo facility, which could support growth in the volume of green and blue bond financing on the continent.

We are also proud to help clients level up their capabilities to better serve their customers and communities, taking a proactive and deliberate approach to empowering and collaborating with specialized market participants. Diverse, woman- and veteran-owned investment firms have now led on several of our company's debt issuances,

including in a historic-first transaction for a global systemically important bank. We plan to build on our momentum this year. Similarly, we are helping expand financial access, including to many first-time capital market participants. These efforts range from BOLD® Shares, which allow clients to make a direct social impact with their liquidity investments – in this case helping support Howard University students – to BK Shares, through which almost all members of our company became BNY Mellon stockholders.

To that end, innovation serves as a bedrock for market participation. Our company was the first bank to bring real-time payments to market in the United States and we continue to lead on payments innovation. As a company that touches around 20% of the world's investable assets, moving our client franchise toward paperless payments will not only help reduce the industry's carbon footprint and the cost of doing business, but also make transactions easier, more efficient and more accessible. Within our own firm, we built on progress moving toward paperless and increasing operational resilience, achieving paper neutrality globally in 2022 and carbon neutrality for the eighth consecutive year.¹

As the policy environment continues to accelerate, fostering greater collaboration across the public and private sectors, increasing data quality and consistency, as well as gaining greater regulatory clarity, will be key to solving existing and looming challenges. In the short and medium terms, we continue our focus on connecting the dots across our businesses to unlock value for our stakeholders while helping increase resilience in the financial system. We have an important role to play, and I'm excited for the opportunities to help create a better future.



¹ For Scope 1 and Scope 2 GHG emissions, including our data centers, as well as Scope 3 business travel emissions through the use of renewable energy and carbon offsets.

ABOUT THIS REPORT

This is BNY Mellon's 16th report covering environmental, social and governance (ESG) and sustainability topics. Our annual updates in this report cover how we address our company's environmental and social impact and how we view and integrate ESG considerations as we act cross-functionally and across our lines of business.

We publish this report annually, generally in the second quarter, on www.bnymellon.com/futurefirst. Unless we otherwise note, this report includes data and activities from BNY Mellon's global operations for the calendar year 2022, and all data is as of December 31, 2022, and covers The Bank of New York Mellon Corporation, its subsidiaries and certain affiliates. The report also provides select data from past years in order to facilitate year-over-year analysis. The methodologies, assumptions and estimates underlying our corporate climate strategy and analysis (including those used to calculate greenhouse gas emissions and other climate-related data and those underlying our climate scenario analyses) continue to develop and remain subject to evolution over time, whether because of regulatory, technological or other developments. As a result, information disclosed in this report might differ from those contained in our past disclosures, and we may include information in future disclosures that differs from those contained in this report.

This is our 14th report using the Global Reporting Initiative (GRI) Standards, the most widely used sustainability reporting standards globally,² and has been prepared in accordance with the Universal Standards. This report also contains information guided by the Task Force on Climate-related Financial Disclosures (TCFD) recommendations; in particular, the [Managing Climate-Related Impacts](#) section. For more information about various aspects of our ESG-related performance, please see the following policies, statements and website sections:

[2023 Proxy Statement](#)

[Australia Modern Slavery Act Annual Transparency Statement](#)

[BNY Mellon Annual Report 2022](#)

[BNY Mellon Code of Conduct](#)

[BNY Mellon Enterprise ESG Commitment Statement](#)

[BNY Mellon Environmental Sustainability Policy Statement](#)

[BNY Mellon Human Rights Statement](#)

[BNY Mellon Supplier Code of Conduct](#)

[Enterprise ESG pages of our website](#)

[UK Modern Slavery Act Annual Transparency Statement](#)

We welcome your comments on this report or any of our others via the [contact form](#) on our website.

² [Big shifts, small steps: Survey of Sustainability Reporting 2022](#), KPMG, 2022.

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BNY MELLON OVERVIEW

BNY Mellon is proud of the trust clients and the industry place in us — we touch around 20% of the world’s investable assets and hold many industry-leading positions across our broader set of complementary businesses. We are the world’s No. 1 global custodian, with \$44 trillion in assets under custody and/or administration (AUC/A), \$10 trillion in average daily clearance value and \$2.5 trillion average daily U.S. dollar payment value. These synergistic businesses give us an end-to-end view of the investment life cycle, allowing us to act as a single point of contact for clients looking to create, trade, hold, manage, service, distribute or restructure investments. We see ourselves as a comprehensive platform for the financial markets of the world, a responsibility we take very seriously.

As we consider the future, we continue to keep in mind how we can leverage our role in the global financial ecosystem and our resources to make a positive impact on society. Not only is helping more people access wealth-generating opportunities and benefit from our capabilities the right thing to do, but it’s also a commercial endeavor. Uplifting historically underserved communities and finding opportunities for collaboration with specialized market players benefits the long-term health of our company and the broader society around us. Over the past year, we were proud of the impact we made on our communities and intend to expand these initiatives in 2023.

ESG Awards and Recognition

<p>Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA</p> <p>Dow Jones Sustainability North America Index (DJSI)</p> <p>9 consecutive years</p>	<p>Perfect score on the Human Rights Campaign Foundation’s 2022 Corporate Equality Index</p> <p>15 consecutive years</p>	 <p>2023 Bloomberg Gender-Equality Index</p> <p>5 consecutive years</p>	 <p>FORTUNE magazine’s World’s Most Admired Companies 2022</p>
 <p>FTSE4Good Global Benchmark Index</p> <p>10 consecutive years</p>	 <p>Best Places to Work for LGBTQ+ Equality 2022</p>	 <p>Barron’s 100 Most Sustainable Companies for 2022</p>	 <p>JUST 100</p>

Learn more at [BNY Mellon Awards and Recognition](#).

OUR APPROACH

OUR ESG FRAMEWORK

At BNY Mellon, we’re committed to using our global reach, influence and resources not just to power success today, but also to help create a more sustainable future. We view the concepts of ESG and sustainability broadly, as the overarching value system and the notion of jointly considering people, planet and profit in the management of institutions. Through that lens, this report describes the components of our Enterprise ESG strategy and our approach to align our activities with business outcomes and making a positive impact on people and the planet.

As a key participant in the global financial system, we believe that BNY Mellon is well positioned to help build the infrastructure that can facilitate investing with a responsible and sustainable lens. We also provide the financial infrastructure that supports clients to direct

capital flows toward sustainable financial solutions. Because our clients have shifting needs and demands, and in light of rapidly evolving regulatory and market expectations, our solutions are multifaceted and continue to evolve.

Our approach to identifying and managing ESG topics focuses on two key areas. Through Enterprise ESG — “who we are” — we seek to integrate an ESG lens across our enterprise. This encompasses our enterprise-wide practices, business impacts on global issues and support for communities. Through our Sustainable Client Solutions, we consider “what we do” to create and deliver sustainable products and services that can help our clients meet their investment objectives and advance toward their own sustainability goals.



We believe this approach leverages our reach, market influence and resources. Our actions can more powerfully drive shared value and progress toward global issues while simultaneously supporting our business objectives.

Our [Enterprise ESG Commitment Statement](#) articulates how we address these responsibilities and how we work to mitigate risks and capitalize on opportunities related to ESG.

ENTERPRISE ESG

The Enterprise ESG team manages several corporate-level ESG-related strategies and commitments. This team facilitates the integration of an ESG lens across the business functions through collaborative projects, produces corporate-level ESG reporting and issues voluntary corporate-level ESG disclosures such as responses to rating and ranking organizations. The function also supports key internal stakeholders in telling the company’s ESG story and responding to ESG-related requests. Learn more about [Enterprise ESG governance](#).

Enterprise ESG Materiality

We focus on the ESG topics that we believe are important to our stockholders and other stakeholders. In order to identify those topics, we conduct regular assessments, the latest of which occurred in 2019 and informed our ESG strategy and led to the establishment of our 2025 goals and key performance indicators (KPIs). Please see our [webpage](#) for more details. Through that process, we determined some of the most relevant ESG topics for BNY Mellon and adjusted our approach based on evolving stakeholder feedback, global trends and our own business strategies.

We believe that our Enterprise ESG strategy captures ESG topics that are the most important to our stakeholders, and we report our approach and progress on those topics in this report. Given the continually evolving nature of ESG, the topics addressed below and in our Enterprise ESG strategy are not meant to be exhaustive but rather highlights of our key focus areas. While certain matters discussed in this report may be important to many of our stakeholders, this importance should not be read as rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations, or other legal standards, even if we use the word “material” or “materiality” in this report. See [Approach to Disclosures](#) and the definition of [ESG Materiality](#) in this report.

Enterprise ESG Strategy

BNY Mellon’s Enterprise ESG strategy is built on three pillars that we believe reflect the priorities of the company and our stockholders, clients, employees and the communities in which we operate: Culture and Purpose, Responsible Business and Global Citizenship. These pillars, and the important topics within them, guide us in prioritizing how we integrate ESG considerations into our operations to address risks and opportunities across our business, and are updated as necessary.

Culture and Purpose	Responsible Business	Global Citizenship
Diversity, Equity and Inclusion Leadership & Development Employee Engagement Retention & Wellbeing Community Impact	Governance Risk Management Technology/Cybersecurity	Climate Change Environmental Sustainability Human Rights Supply Chain Public Policy
Learn more about our progress made in 2022 Culture and Purpose	Learn more about our progress made in 2022 Responsible Business Sustainable Client Solutions	Learn more about our progress made in 2022 Global Citizenship

Our strategy takes into account stakeholder input, global trends, business objectives and the results of enterprise-wide analyses to establish ESG priorities. As we aim to stay abreast of the rapidly evolving sustainability landscape, BNY Mellon is guided by various global standards, frameworks and principles. For instance, we are a participant in the United Nations Global Compact (UNGC), a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) and our BNY Mellon Investment Management firms are signatories to the Principles for Responsible Investment (PRI). We consider their associated principles, recommendations and guidelines in our strategic development and/or reporting.

Recognizing growing investor interest in biodiversity and the urgency of action to preserve ecosystems, we have joined the Taskforce on Nature-related Financial Disclosures (TNFD) Forum to support the development of a framework for managing and disclosing nature-related risks and opportunities. [Learn more on page 96.](#)

Additionally, when considering our direction, we consult standards and frameworks such as IFRS Foundation Sustainability Accounting Standards Board (SASB) standards, the Greenhouse Gas Protocol (GHG Protocol), Science Based Targets initiative (SBTi), the Sustainable Development Goals (SDGs), and various ESG rating and ranking frameworks.

2025 Goals and Progress

We continue to report against the goals that we announced in 2019 to guide our actions from 2020 to 2025. While we work toward our 2025 goals, we review the associated KPIs periodically to evaluate whether they remain relevant to current business and market conditions. Thus, we have made, and may continue to make, adjustments in our KPIs. Progress on each goal and KPI can be found within the relevant sections of this report. View a full list of [our goals and KPIs here](#).

Stakeholder Engagement

We actively engage with our stockholders and strategically interact with a range of other stakeholders through different channels on an ongoing basis to solicit and analyze feedback and help inform our ESG initiatives around the company. The table below highlights our key stakeholder groups, engagement approach and examples of recent engagement.

Stakeholder Group	Engagement Approach
Clients	<ul style="list-style-type: none"> Advisory boards and idea-sharing conferences Direct Conversations Satisfaction and engagement surveys
Industry & Public Policy	<ul style="list-style-type: none"> Direct Conversations Ongoing Feedback Trade associations
Investors	<ul style="list-style-type: none"> Annual and quarterly reports Annual Meeting of Stockholders Financial Services events Proxy voting Webcasts and conference calls Proactive outreach meetings on ESG and other key initiatives
Employees	<ul style="list-style-type: none"> Conversations with managers Employee/Business Resource Groups (E/BRGs) Engagement surveys Performance management and development programs Town Hall meetings ESG Certification Program ESG Briefing Calls ESG intranet page
Communities	<ul style="list-style-type: none"> Employee volunteering and employee giving Nonprofit board memberships and financial support partnerships (grants and sponsorships)

Enterprise ESG Governance

The work of considering and integrating ESG topics across all levels of our enterprise extends from the highest level of leadership to employees across the globe. The company’s Enterprise ESG governance structure includes the various groups that support our approach to ESG. This structure was adjusted in 2022 in order to facilitate direct guidance from Executive Committee members. ESG was added to the remit of the

Business Management and Client Committee (BMCC), a newly created committee composed of a subset of Executive Committee members who conduct reviews of ESG-related items. Relatedly, we established an ESG Advisory Council composed of senior employees to serve as a direct line of communication to the BMCC and subsequently disbanded the Enterprise ESG Steering Council. We believe that these changes will continue to improve BNY Mellon’s ability to monitor and address ESG-related risks and opportunities.

Enterprise ESG Governance Structure		
<p>Corporate Governance, Nominating and Social Responsibility (CGNSR) Committee of the Board of Directors</p> <p>Primary Board committee responsible for oversight of BNY Mellon’s ESG efforts and reporting. Provides primary oversight of BNY Mellon’s ESG efforts. Consists of independent directors who regularly review our Enterprise ESG performance, monitor progress against long-term goals and provide guidance to management.</p> <p>Read more in the CGNSR Committee Charter.</p>		
<p>Executive Committee</p> <p>Accountable members monitor progress on ESG-related goals, anticipate client needs, keep the CGNSR Committee informed and engaged on pertinent ESG-related matters, and drive business innovation.</p>		
<p>Business Management and Client Council (BMCC)</p> <p>Composed of business function CEOs and certain Executive Committee members. Among other areas, is responsible for reviewing ESG strategies, guidelines and policies across the enterprise, guiding enterprise-wide integration, and monitoring progress.</p>		
<p>ESG Advisory Council</p> <p>Composed of senior employees with ESG expertise who provide input and recommendations across a range of ESG-related matters directly to the BMCC.</p>	<p>Sustainable Client Solutions Working Group</p> <p>Composed of senior employees spanning our business functions. Was active in 2022 to help integrate ESG globally and regionally into product and service offerings.</p>	
<p>Enterprise ESG Team</p> <p>Manages several corporate-level ESG-related strategies and commitments, provides subject matter expertise, collaborates with company functions and departments to assist in the development of ESG integration initiatives, manages public corporate-level reporting and disclosures related to ESG activities, supports internal teams communicating our ESG story, facilitates external stakeholder input, coordinates with the Executive Committee and senior leadership to assist in their reporting to the Board and the CGNSR Committee, and collaborates with experts and facilitates corporate-level thought leadership.</p>		
<p>Employee Groups</p> <p>Employee/Business Resource Groups (E/BRGs), Environmental Sustainability Ambassadors, and volunteer and philanthropic fundraising committees that support social or environmental impact initiatives.</p>	<p>Subject Matter Experts</p> <p>Staff across various areas of the company who execute ESG-related policies, practices and programs.</p>	<p>Issue-Focused Teams</p> <p>ESG and Climate Risk team Environmental Sustainability team Diversity, Equity and Inclusion team</p>

Learn more about [Enterprise ESG](#) on our website.

SUSTAINABLE CLIENT SOLUTIONS

While there is increasing attention on the scope and scale of environmental and social issues confronting society, these challenges present the opportunity to invest in solutions that could deliver shared prosperity for investors, business and society. Efforts to address the world’s social and, in particular, environmental challenges, have turned to the financial services industry because of its ability to support the facilitation of capital flows. A case in point is raised in BNY Mellon Investment Management’s report [An investor’s guide to net zero by 2050](#), in which we found that capital investment of approximately \$100 trillion in lower-carbon infrastructure will be required for the world to comply with the Paris Agreement goal to limit global warming to well below 2°C and pursue efforts to limit it to 1.5°C by 2050. The transition to a low-carbon future could therefore offer opportunities to investors to be a part of the solution.

Financial institutions can play an important role in this transition through helping clients identify sustainable investment opportunities.

With this growth comes increased regulatory and stakeholder scrutiny. Banks, investors, asset managers and other market participants seek reliable, high-quality data and informed counsel as they integrate

ESG considerations into their activities. Given the proliferation of data and digitization of our economy, technology is now vital to both, and to the global financial system.

Our Opportunity and Approach

As the world’s largest custodian, we have a broad view across investment trends — including key sustainability challenges — and we touch many points along the financial value chain. This means we are well positioned to support our clients in their transition toward more sustainable business models as we deliver multifaceted solutions. We seek to further develop products and services that focus on value creation by considering ESG factors and analyzing sustainability risks and opportunities. In this way, we strive to offer solutions that can best mitigate sustainability risks and drive long-term, profitable growth. We consider these client solutions opportunities in three broad categories.

Responsible Investment	Data and Analytics	Financial Infrastructure
<p>BNY Mellon Investment Management offers a range of solutions and advice for professional and personal investors to better manage risk-adjusted returns and, where applicable, achieve their sustainable investment goals and invest responsibly.</p>	<p>Our data analytics capabilities are designed to help asset owners and managers understand climate-related impacts on their portfolios, make better-informed responsible investment decisions and achieve their sustainability goals.</p>	<p>We offer payment solutions that help clients invest in a more sustainable future, while facilitating secure and safe digital payments.</p>
<p>Learn more in Responsible Investment</p>	<p>Learn more in Data and Analytics</p>	<p>Learn more in Financial Infrastructure</p>

2022 ACHIEVEMENTS

Sustainable and Impact Investing: BNY Mellon IM expanded its sustainable and impact funds and accounts range.

Research on Inclusive Investment: BNYM IM launched global research titled [The Pathway to Inclusive Investment](#) focused on exploring the key drivers behind the gender-investment gap. The report explores how to effect change in the industry and unlock the extra \$3.2 trillion of AUM (\$1.87 of which could flow to Responsible Investment) were women to invest at the same rate as men. To support the focus on inclusive investing, the largest money market mutual fund at Dreyfus (a BNY Mellon company) launched BOLD® (Black Opportunity for Learning and Development) shares in February 2022.

Sustainable Finance: BNYM IM published [An investor's guide to net zero by 2050](#) highlighting more than half of the \$100 trillion investment required to “green” global infrastructure in emerging markets where accessing capital is more difficult and expensive than in advanced economies but where investors should be able to achieve more decarbonization per dollar. To support these findings, BNY Mellon’s Clearance and Collateral Management business played a critical role in developing an innovative platform to facilitate financing for sustainable development in Africa via the Liquidity and Sustainability Facility (LSF). Learn more in [Enhancing Liquidity for African Nations](#).

Enterprise ESG 2025 Sustainable Client Solutions Goals

Goal: Provide best-in-class solutions to enable our clients to transition to more sustainable financing opportunities

KPI: Increase assets managed by investment firms that are signatories to the PRI

Progress: Assets overseen by IM firms that are PRI signatories have reached 100%. Therefore this KPI has been completed and retired.

KPI: Increase number of clients who use ESG data within Data and Analytics solutions*

Progress: in 2022, 46 clients utilized ESG Data and Analytics solutions

KPI: Increase volume of new green bonds administered

Due to the nature of our business, this KPI has been retired. [Learn more about green bonds](#).

KPI: Demonstrate ESG thought leadership and proof points as measured by industry recognition and client satisfaction metrics

Progress: See publications at <https://www.bnymellon.com/us/en/about-us/esg-and-responsible-investment.html>

* Language updated for 2022.

Investing in Communities

As we consider the many challenges confronting local communities and society at large, BNY Mellon has a growing awareness of the scale of positive impact we can effect by leveraging our reach, market influence and resources in new and synergistic ways. With heightened intentionality, many of our business-as-usual actions can powerfully drive shared value and progress toward global issues while simultaneously supporting our business objectives.

FUNDING FOR AFFORDABLE HOUSING

Each year, BNY Mellon strives to help build stronger, more resilient communities by providing financing for affordable housing. In the United States, two BNY Mellon banking entities — BNY Mellon, N.A. and The Bank of New York Mellon — are evaluated in accordance with the Community Reinvestment Act (CRA) of 1977, the federal law intended to encourage banks to help meet the credit needs of the communities in which they operate. BNY Mellon’s banking subsidiaries in the U.S. meet their obligations under the CRA through investing, lending and performing community service in low- and moderate-income communities.

Each year, BNY Mellon provides construction loans, letters of credit and equity in the form of low-income housing tax credits (LIHTC) to clients. We believe that our investments enable multiyear construction projects that will help build stronger communities both during the construction phase and for years afterward. During development, these projects often leverage capital subsidies committed by local governments and partnerships with minority- and women-owned businesses or nonprofit developers and provide good-paying construction jobs, sometimes with requirements for minimum participation by underserved groups.

Upon completion, these projects can often revitalize or stabilize low- to middle-income neighborhoods. Nearly all of these developments include community facility space that serves a neighborhood need. Many of these developments are built to Enterprise Green Communities standards or other sustainable construction standards, contributing environmental benefits. Finally, most developments feature a set-aside for formerly homeless households or other special-needs tenants, such as youth aging out of foster care.

We are pleased to report that Regulators have rated BNY Mellon, N.A. as “Outstanding” and The Bank of New York Mellon as “Satisfactory” during their most recent CRA performance evaluations.

2022 KEY DATA

AFFORDABLE HOUSING INVESTMENTS

New LIHTC equity investments: 10 investments totaling \$269 million

Units produced (LIHTC investments only): 938 units

CLOSING THE WEALTH GAP IN OUR CAPITAL MARKETS BUSINESS

We believe we have the opportunity and ability to help close the wealth gap through our business relationships and by advocating for financial inclusion in the capital markets.

We can use our role as a debt and equity underwriter in public and private capital markets to advance diversity initiatives by engaging with minority-owned financial institutions. In 2022, minority-owned financial institutions were among the joint lead book runners in a \$1.7 billion offering of senior medium-term notes by The Bank of New York Mellon. In addition, BNY Mellon collaborated with eight veteran-owned broker-dealers, all founded by military service members, on a \$750 million senior bank note issuance, underwriting a combined 20% of the issuance.

Elsewhere in our enterprise, Lockwood provides opportunities for diverse-owned asset managers and women-led investment strategies as it continues to add these firms to its platform.

BNY Mellon is looking to democratize the capital markets by empowering retail investors to build wealth responsibly. As a member of the Future of the Capital Markets initiative, BNY Mellon joined Accenture and the World Economic Forum in publishing [The Future of Capital Markets: Democratization of Retail Investing](#) white paper. The paper presents the findings from a

BNY Mellon-supported survey of retail investors and shares insights from experts across the capital markets ecosystem. Their conclusion: Investing in the capital markets could help individuals grow their wealth over the long term. The paper issues a call to action for a range of stakeholders to address three key themes: financial literacy and investor education; personalized, outcomes-oriented advice for all investors; and public-private partnerships. Learn more by reading this [summary](#).

PROMOTING ECONOMIC OPPORTUNITY VIA COMMUNITY BANKING

Across the U.S., there are over 4,500 depository financial institutions, but only 147 of those are minority owned or controlled.³ These minority owned or controlled institutions play a vital role in promoting economic viability, particularly in low- and moderate-income communities. As of June 2023, BNY Mellon has made an \$8 million deposit to supplement South Carolina-based Optus Bank's investments and support its mission of investing in underserved communities. This investment is part of our expanded relationship with Optus Bank through our participation in the U.S. Treasury Department's Financial Agent Mentor-Protégé Program. This program facilitates voluntary relationships between the largest U.S. commercial banks as mentors and small and/or minority depository institutions as protégés, with the aim of closing economic opportunity gaps.

Our relationship with Optus is seeding our enterprise-wide community banking approach to work with more such banks that are integral to community financial health, growth and resiliency. This growing initiative will enable us to play a more direct role in helping to reduce inequity in access to capital and close the racial wealth gap.

BNY Mellon has renewed its 10-year-old Small Business Investment Company (SBIC) fund program. These fund investments support small businesses that are underserved by traditional capital markets. In addition to providing attractive risk-adjusted returns, these investments provide critical capital to small and middle-market businesses.

2022 KEY DATA

SMALL BUSINESS INVESTMENT COMPANY (SBIC)

BNY Mellon's total funding commitment to SBIC investments for calendar year: \$151 million

The total number of SBIC investments in the BNY Mellon portfolio as of year-end: 20

³ [Minority Bank Deposit Program](#), Bureau of the Fiscal Service, 2023.

SUSTAINABLE CLIENT SOLUTIONS

RESPONSIBLE INVESTMENT

RESPONSIBLE INVESTMENT

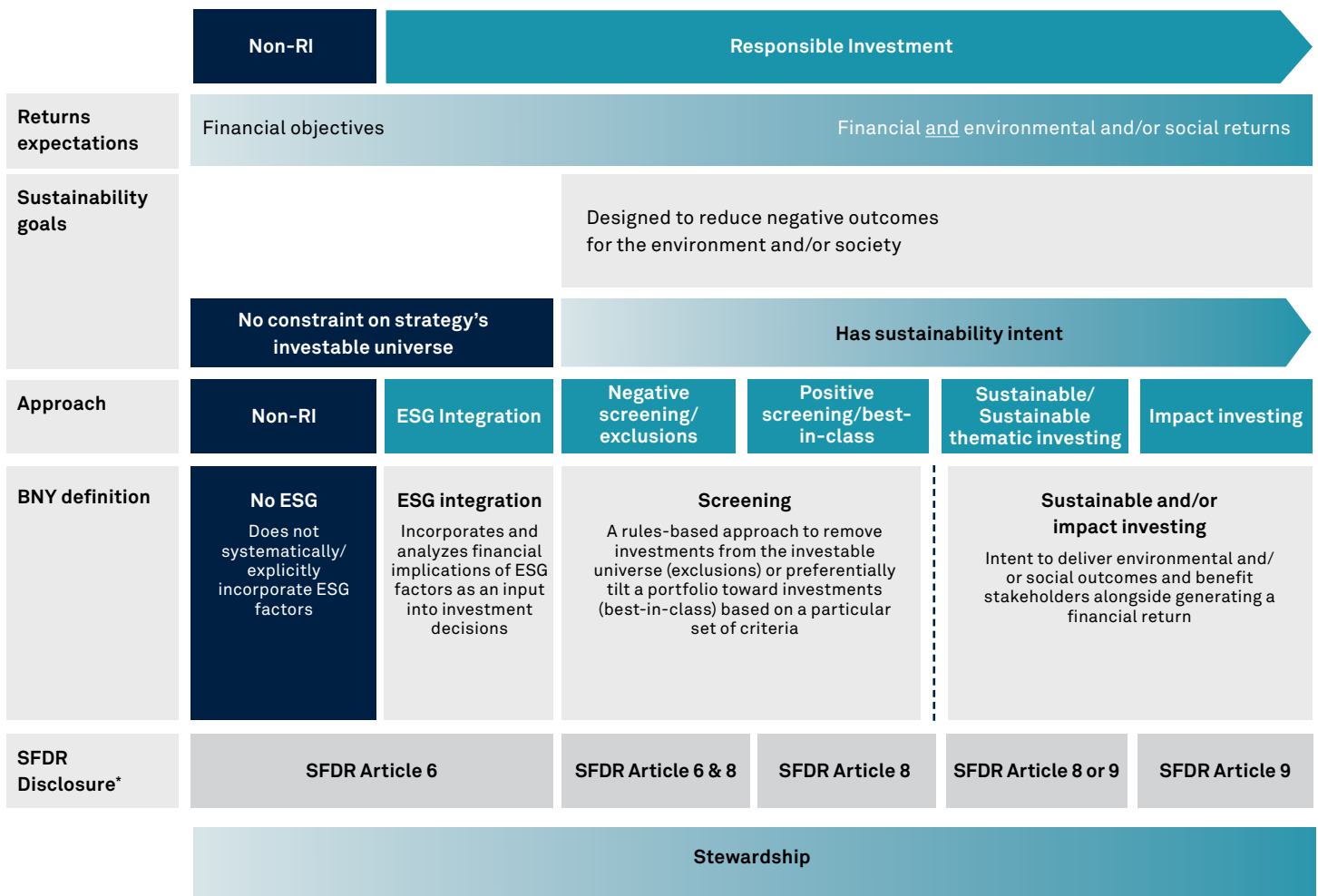
Investment Management

BNY Mellon Investment Management (BNYM IM) offers a broad range of responsible investment (RI) options designed to align with our clients' objectives and goals through seven diverse, specialist investment firms and a number of regional distribution entities. These firms are committed to using their best efforts to work in their clients' best interests and in line with their fiduciary duty, client objectives and legal requirements.

Our firms offer a range of investment styles to our clients, as defined in the [Glossary](#) of this report. The majority of our products and solutions fall into the "ESG integrated" category. These products and solutions incorporate and analyze the financial implications of ESG factors, among a range of other factors, as an input into investment decisions. The analysis of the financial implications of these ESG factors are only one part of the investment process, meaning that investment decisions are not based solely on these considerations when other factors are deemed to be more financially material and to outweigh any financial considerations arising from ESG factors. Our ESG-integrated funds and accounts are not required to apply "red lines," hurdle rates or benchmarks. We also have products that incorporate negative screening (a rules-based approach to remove investments from the investable universe based on a particular set of criteria).

Additionally, our clients are increasingly seeking financial opportunities aligned to global efforts to mitigate climate damage, support climate adaptation, slow the loss of biodiverse natural ecosystems, and support inclusive growth. These products have intent to drive an environmental and/or social outcome alongside a financial goal. These funds comprise our "sustainability outcomes" range. The variety in our offering is led by our clients' requirements and supported by international regulations.

We are focused on strengthening our range of "sustainability impact" solutions by focusing on ensuring good governance, as well as the measurement, reporting and delivery of the sustainable and financial intent of this range. We intend to continue growing our sustainable and impact offering in 2023 and beyond to support our clients' objectives as they develop over time.



* Introduced by the European Commission, the SFDR imposes mandatory ESG disclosure obligations for asset managers and other financial markets participants. The SFDR aims to bring a level playing field for financial market participants and financial advisers on transparency in relation to sustainability risk.

COLLABORATIVE ENGAGEMENT AND ADVOCACY

Where consistent with their business models, clients' best interests, products and legal requirements, we seek to encourage our affiliated investment management firms to align their stewardship and investment activities with global efforts to support climate risk mitigation and adaptation; value and conserve natural capital, e.g., end forest loss and native vegetation conversion; slow the loss of biodiverse natural ecosystems and support inclusive growth. These issues and related themes may give rise to long term risks and opportunities for our investments and, therefore, have the potential to impact long-term value for our clients.

Where global policy support and data is not yet sufficient to deliver on the challenges addressed by the UN SDGs,

BNYM IM will seek to engage with policymakers and regulators to encourage better coordination to help us to support our clients through the delivery of portfolios aligned with these efforts whilst also delivering risk-adjusted, financial returns.

We participate in industry groups to influence and engage on key sustainability challenges facing the financial industry and to identify and advance new opportunities. For example, BNYM IM is a member of the Institutional Investors Group on Climate Change (IIGCC) and the Investment Association and a supporter of the Impact Investing Institute. We also actively participate in policy consultations by governments and regulators and a number of industry groups.

Key engagement topics include ESG data integrity, regulatory convergence of sustainability standards, the climate transition, Just Transition, preservation of nature, including the elimination of agricultural commodity-driven deforestation and the importance of transitioning industries. Further details on these initiatives can be found in the stewardship reports of our investment firms and available on their respective websites.

The preservation of nature and the interlinkage between nature and climate are topics of growing focus for public policy. In December of 2022, global governments came together at the United Nations Biodiversity Conference (COP 15) and agreed to the Kunming-Montreal Global Biodiversity Framework (GBF). This historic agreement contains 21 targets to address biodiversity loss, restore ecosystems and protect indigenous rights. The GBF includes the sweeping “30X30 Target” to protect and conserve at least 30% of land and 30% of the ocean by 2030.

However, until these frameworks are fully developed and companies are consistently disclosing the risks and impact of biodiversity through their operations and

value chains, it remains difficult to price nature and its potential impact on value fully within portfolios. BNY Mellon has become a supporter of the Taskforce for Nature-related Financial Disclosures (TNFD) forum at the corporate level to help inform industry frameworks to these market gaps. In parallel, two of our investment firms representing the majority of our actively managed assets under management have become supporters of the TNFD to support the development and delivery of a science-based, risk management and disclosure framework for nature.

Insight has also published a potential framework for Natural Capital Risk, including the loss of biodiversity, to illustrate how such risks can be assessed for corporate bond returns.

Industry Associations Across Investment Management Firms		
Environmental	Social	Governance
CDP Climate Action 100+ Green Bond Principles Institutional Investors Group on Climate Change (IIGCC) Net Zero Asset Managers initiative Task Force on Climate-related Financial Disclosures Taskforce on Nature-related Financial Disclosures Transition Pathway Initiative	30% Club Farm Animal Investment Risk and Return (FAIRR) ShareAction Healthy Markets ShareAction Workforce Disclosure Initiative	Asian Corporate Governance Association GC100 and Investor Group International Corporate Governance Network (ICGN) and ICGN Global Stewardship Principles Investor Stewardship Group Principles for Responsible Investment UK Stewardship Code
UK Impact Investing Institute UN Global Compact		

To help market participants keep abreast of the rapid changes in responsible investing and related regulation, we provide training and education opportunities for clients, our own professionals and others. For example, in 2022 we implemented mandatory RI training for all client-facing staff within BNYM IM globally to provide updates on key sustainability topics, regulatory changes and our clients' responsible investing requirements.

To support our own climate analysis and help clients, investors and policymakers to better understand the net zero transition, BNYM IM published a research report [An investor's guide to net zero by 2050](#) in partnership with Fathom Consulting. The report maintains that the global economy is significantly behind schedule in reaching 2050 net zero goals and describes how to bridge the gap with \$100 trillion of "green" investment. The report further highlights opportunities for investors by sector and geography, identifying emerging markets as requiring more than half of the \$100 trillion. To support this opportunity, Insight, a BNYM IM firm, launched a Responsible Horizons EM Debt Impact Strategy in 2023 with an objective to achieve positive environmental and social impact while generating a total return.

While we continue to focus our research on both climate and nature as part of our analysis of impacts of the environmental transition, we have also identified the importance of balancing this with attention to inclusive growth and resiliency. In 2022 we published global research on [The Pathway to Inclusive Investment](#), addressing the key barriers to higher levels of female participation in investment. The research was conducted in partnership with independent research house Coleman Parkes and Man Bites Dog, supported with data from Cerulli. The report forms part of a larger initiative to encourage inclusive investment and effect change. The research found that if women invested at the same rate as men, there would be an additional \$3.2 trillion of assets under management from private individuals today, over half of which — \$1.87 trillion — could flow to more responsible investments. The report also highlights the urgent need for better communication and engagement to inspire more women to invest, and calls for the investment industry to evolve to encourage greater levels of female participation in investment. We hope to continue this important focus on inclusive growth in our research and product development going forward.

SPECIALIST INVESTMENT SOLUTIONS



Brazilian firm specializing in equity, macro, corporate bond and fixed income strategies

RI Approach: As several ESG factors can have material financial implications for Brazilian companies, in many cases significantly affecting their risk profile, investment experts at the firm focus on analysis and due diligence in this area.

A PRI signatory since 2021. [Learn more.](#)

Progress in 2022:

- Advanced implementation of a Responsible Investment Policy
- Require investment analysts to highlight main ESG risks



Cash and liquidity manager offering a comprehensive platform of institutional liquidity solutions

RI Approach: Dreyfus has developed an RI strategy built on three core pillars: ESG integration, diversity and inclusion, and charitable giving.

Progress in 2022:

- Launched BOLD® (Black Opportunity for Learning and Development) shares in February 2022 and achieved \$3.9 billion in assets as of December 31, 2022. Learn more in [Investments and Donations to Boost Diverse Scholarships](#).
- While observing best execution, continued to place a majority of purchase orders for the Dreyfus Government Securities Cash Management portfolio securities with designated dealers that are owned by minorities, women, disabled persons, veterans and members of other qualified and recognized diversity and inclusion groups to augment diversity and inclusion efforts



Global investment manager in the UK and U.S. specializing in fixed income and risk management solutions

RI Approach: Insight's approach to [Responsible Investment](#) is underpinned by a belief that all risks, including ESG risks, can affect the value of an investment and therefore should be considered in investment decisions where possible and relevant. Many of its clients also wish to apply ESG criteria to help deliver sustainability outcomes, and Insight has developed strategies to enable them to do so. Insight seeks opportunities to evolve its proprietary models to help address the gaps in third-party ESG data and to inform its engagement with companies and governments as it aims to better understand the ESG issues they face and how they are managed.

Founding PRI Signatory since 2006.

Progress in 2022:

- Shared Insight's first Climate Change Report, including climate scenario analysis on a significant proportion of its assets under management
- Published a framework for Natural Capital Risk, including the loss of biodiversity, to illustrate how such risks can be assessed for corporate bond returns and including a case study focusing on the suitability of the brewing sub-industry in buy and maintain portfolios. [Read more.](#)
- Launched a Euro impact bond strategy, including the launch of a fund categorized as EU SFDR Article 9, which aims to achieve positive environmental and or social impacts while generating a financial return
- Conducted over 140 engagements focused on ESG issues. In total, conducted 1,178 engagements with fixed income issuers, the majority of which included some form of ESG dialogue
- Introduced thematic engagements with debt issuers, covering climate-related, water management and diversity topics; alongside a new questionnaire and engagement program focused on Insight's trading counterparties, covering environmental factors, remuneration, diversity and cyber/data breaches

- Updated its assessments of impact bonds, such as green and social bonds. In 2022, reviewed 331 impact bonds, of which Insight rated 81 as "red," which excludes them from investment by Insight's sustainability-focused strategies
- Awarded signatory status to the new voluntary UK Stewardship Code by the Financial Reporting Council



Global specialist index investment manager delivering institutional-quality equity and fixed income index management

RI Approach: Mellon, a division of Mellon Investments Corporation, is a specialist index manager. As a long-term investor, Mellon seeks to incorporate stewardship through proxy voting and company engagement. Mellon is committed to evolving and developing RI strategies to enrich its investment capabilities while meeting client investment objectives.

Progress in 2022:

- Created a firm-level ESG Council as well as a Mellon-specific RI Committee
- Re-established the Mellon Proxy Voting Committee and trained new committee members
- Voted on over 138,000 proposals at 14,500 meetings and engaged with approximately 300 companies
- Conducted investment educational sessions with clients seeking ESG-benchmarked index strategies



Global investment manager in the UK and U.S. offering a variety of investment solutions across equity and multi-asset strategies

RI Approach: Newton seeks to invest and behave responsibly, acting as an active, engaged owner of financial assets on behalf of its clients. Using multidimensional research, ESG analysis, active stewardship and RI data capabilities, Newton's approach to RI helps it understand the mosaic of factors that shape investment opportunities and risks. Newton also manages a range of dedicated sustainability focused strategies.

A PRI Signatory since 2007. [Learn more.](#)

Progress in 2022:

- Analysis of ESG factors integrated into the investment research teams
- Updated Newton's sustainable investment framework
- Introduced the Newton Sustainability Committee as well as the Newton Sustainable Investment Forum as an enhanced governance framework

SIGULER GUFF

Global multi-strategy private markets investment firm

RI Approach: Siguler Guff believes that responsible investment practices, including the consideration of ESG factors, are fundamental to an investment's foundation, help mitigate risk, and can help create positive outcomes for all stakeholders.

A PRI Signatory since 2013. [Learn more.](#)

Progress in 2022:

- Launched two funds categorized under the EU SFDR Article 8
- Hired a dedicated ESG specialist to shepherd progress in ESG integration, reporting and strategy
- Updated its ESG policy to align with best practice, including additional clarity on the policy's scope and application to certain investment types
- Piloted new ESG-related due diligence questionnaires to acquire relevant data on ESG and DEI-related matters from its investment managers and portfolio companies

WALTER SCOTT

A UK-based global equity investment management firm

RI Approach: Walter Scott believes that the companies that make the best long-term investments typically adhere to high standards of environmental, social and governance practices. The firm integrates analysis of these risks and opportunities into its investment process and addresses material issues through its commitment to active ownership. Its approach to ESG integration and stewardship is focused on three key areas: integrated research and analysis, engagement and proxy voting.

A PRI Signatory since 2017. [Learn more.](#)

Progress in 2022:

- Published its first stand-alone report on its approach to managing climate-related risks and opportunities
- Conducted over 800 company meetings, and discussed financially material ESG issues at almost 65% of the meetings. Where these meetings involved owned companies, they included engagements for change, during which Walter Scott set out a clear objective to improve a specific issue relating to a holding's governance, operations or disclosure
- Established a rigorous portfolio assessment methodology for clients wishing to convert to the EU SFDR Article 8 framework, overseen by the newly established Additional Objectives Portfolios Group
- Increased its specialist resource working to support the Research team on ESG integration and stewardship, and conducted further education and training across the business to increase awareness of ESG issues

Wealth Management

BNY Mellon Wealth Management uses a goals-based approach to build portfolios that not only serve clients' financial goals but also align with their sustainability preferences and impact goals. Our Wealth Management division guides clients, including wealthy individuals and families, family offices, nonprofits and other institutional investors, as they deploy capital across the financial spectrum, from capital markets to philanthropy. With \$269 billion in total client assets,⁴ Wealth Management invests across more than 50 Responsible Investing solutions, as of December 31, 2022.

Our Responsible Investing offerings include a municipal bond solution that meets clients' risk and return objectives with positive social and environmental outcomes. Examples of bond issues considered for investment include a charter school bond that is increasing access to education in a community and a social bond that is increasing access to affordable housing.

In addition, we launched and closed our inaugural proprietary Private Equity Impact fund focused on investments that are addressing global sustainability challenges, such as environmental protection, financial inclusion and social equity. Through the end of 2022, we have deployed about a third of the committed capital in underlying general partners that meet the fund's investment due diligence, including its impact criteria.

SOLUTIONS FOR INSTITUTIONAL INVESTORS

Investor Solutions LLC provides multi-asset solutions to institutional investors. Our solutions include outsourced Chief Investment Officer (OCIO) services for retirement accounts, foundations and endowments, and family offices as well as model management, liquid alternatives and private equity. These services are increasingly focused on meeting clients' Responsible Investing goals in conjunction with their financial goals. During 2022, Investor Solutions LLC hired a Head of Responsible Investing in recognition of increasing client interest and the complexities of navigating the RI investment landscape.

⁴ Includes custody assets and assets under management as of December 31, 2022.

DIVERSITY, EQUITY AND INCLUSION FRAMEWORK WITHIN MANAGER RESEARCH

We recognize the underrepresentation of diverse-owned investment managers and strive to be a leader in advocating for and advancing the role of these firms. We believe that a more inclusive approach meets expectations of clients, regulators, investors and employees, and can be a competitive differentiator in the market.

Within the manager research group in Investor Solutions, we have instituted a DEI framework to enhance communication with and coverage of diverse-owned investment managers. We developed a manager DEI Assessment that provides a more detailed examination of DEI practices across investment managers, at both the strategy and firm levels. As diversity data continues to evolve across the industry, certain aspects may not lend themselves to quantitative scoring and thus require a thorough qualitative review. In our engagement with investment management firms on the topic of DEI, we pursue an understanding of the role each firm is undertaking to contribute to DEI as part of its business and/or investment strategy. Learn more in our white paper [*Diversity & Inclusion in Investment Management: Expanding the Dimensions of Investment Diversification.*](#)

SUSTAINABLE CLIENT SOLUTIONS

DATA AND ANALYTICS

DATA AND ANALYTICS

Responsible and sustainable investing continues to grow in importance, fueling investors' demand for more specific ESG information — whether for portfolio management, managing climate-related risk or trying to make an impact. As the “bank of banks,” we are informed by a large financial data set. Our Asset Servicing and Digital capabilities provide clients with access to a vibrant data ecosystem that helps these clients align future investments to their ESG priorities and continually improves and optimizes the use of ESG data and metrics.

Expanding Our ESG Data Analytics Ecosystem

We further enhanced the BNY Mellon ESG Data Ecosystem by integrating additional data sources and adding a managed data service that provides raw, curated, and enriched ESG data to clients. BNY Mellon clients are able to integrate these comprehensive ESG data feeds into their asset allocation, portfolio management and reporting needs. We are able to meet clients' changing priorities and requirements, including their need for powerful tools to holistically manage their data at scale, and to better align their ESG funds with regulatory or self-defined frameworks and standards.

The ESG Data Ecosystem powers a number of BNY Mellon offerings, including the following:

- LiquidityDirectSM clients use ESG data to quickly and easily analyze the ESG ratings of eligible investment options. This functionality helps clients to align their cash investments in money market funds with their corporate social and ethical values.
- RULE[®], our electronic collateral schedule manager, offers clients the ability to incorporate ESG factors into their collateral negotiations and decisions.

ESG Reporting Solutions

Our ESG Regulatory Reporting Service, powered by our ESG Data Ecosystem, is designed to help clients meet a range of reporting requirements, such as the EU SFDR and the TCFD. To assist clients in preparing for the initial application date of regulatory technical standards under SFDR, we developed an ESG Regulatory Reporting Solution. This offers an end-to-end production service for the pre-contractual and periodic disclosures this regulation requires. It also provides a solution for production of the European ESG Template. Going forward, we are exploring opportunities to offer similar services in other jurisdictions. We further support clients with market insights through white papers such as [ESG Data and Regulatory Challenges in a Fast-Changing World](#).

Using Artificial Intelligence Responsibly

Artificial intelligence (AI) and machine learning (ML) are transformative technologies that present a great opportunity to deliver enhanced outcomes for our clients and shareholders. As such, BNY Mellon has invested to build AI/ML capabilities that are already delivering valuable solutions. We do this within a robust risk management and governance framework that considers the unique challenges posed by these emerging technologies.

Investment Compliance Monitoring

Regulatory requirements remain one of the ESG topics of significant interest to our clients and a main driver in client conversations. We continue to monitor the global regulatory landscape as it relates to ESG reporting requirements for our clients and support those that wish to screen their portfolios based on various ESG topics.

Our Compliance Monitoring service aims to provide clients with better understanding of the business involvements of the companies in which they invest. With those insights, clients can determine how those business involvements align with their values and investment mandates and their performance against key sustainability metrics. By allowing clients to consistently and effectively monitor their portfolios based on social and ethical factors, we aim to help them have more robust conversations with their investment managers and make more informed investment decisions. During 2022, we supported 42 clients through our Compliance Monitoring service with combined AUM of \$190 billion.

SUSTAINABLE CLIENT SOLUTIONS

FINANCIAL INFRASTRUCTURE

FINANCIAL INFRASTRUCTURE

Through financial infrastructure, we expect to fuel investments in a more sustainable future while facilitating secure, safe digital payments that power the global economy. In each of these areas, we strive to protect healthy markets and safeguard the environment while delivering value. BNY Mellon provides clients with next-generation solutions and insights designed to enable alignment with their ESG goals across the investment life cycle.

Sustainable Payments Solutions

Our investments in digital payment solutions are intended to provide customers with safer, faster, more sustainable ways to make and receive payments. Digital payment solutions could also empower clients to more accurately measure and reduce the carbon impact across their ecosystem from suppliers to consumers. BNY Mellon is helping our bank, corporate and fintech clients to transact safely and securely in an increasingly digital environment by enabling these clients to take full advantage of the systems and applications.

Securities Finance

BNY Mellon's securities lending program is designed to be inherently flexible and thus compatible with our clients' ESG strategies. Supporting our clients' ESG strategies to drive liquidity and flows toward sustainable outcomes, BNY Mellon clients have transparency on ESG data points across their agency securities lending program. This capability, delivered through an interactive dashboard in Nexen, provides visibility into securities lending, enabling clients to apply ESG scores to their lendable portfolio, their collateral and their cash investments. The functionality draws on

MSCI ESG Ratings delivered through BNY Mellon's Data Analytics Ecosystem, allowing clients to validate daily that the collateral they receive and the investments they make are within the tolerance levels of their own ESG investment policies.

At an industry level, BNY Mellon engages with trade associations, ESG labeling bodies, policymakers and regulators with regard to the development of globally relevant best practices for ESG-compatible securities lending.

Incorporating ESG Eligibility Criteria in Collateral

Our Clearance and Collateral Management services enable clients to include certain ESG criteria when defining acceptable collateral for their financing and other collateral activities. Our online collateral schedule program, RULE[®], was updated in 2021 to include a number of ESG indices and ratings. Collateral receivers and providers can agree to include both securities with a specified index and securities with ESG ratings. The indices and ratings are drawn from a leading data provider, which assigns securities with environmental, social and governance scores aggregated into a final letter rating, from AAA to CCC.

SPOTLIGHT

ENHANCING LIQUIDITY FOR AFRICAN NATIONS

BNY Mellon is supporting African sovereign debt sustainability. We played a critical role in launching an innovative tri-party repo platform for the Liquidity and Sustainability Facility (LSF) designed by the United Nations Economic Commission for Africa. Our Clearance and Collateral Management and Corporate Trust divisions collaborated to launch a new, scalable tri-party platform offering an access point for African bonds. The LSF was created to address challenges facing African countries, in particular the COVID-19 pandemic, the historical high cost of borrowing for African sovereigns, and the urgent need to deal with climate change and its consequences. We expect the platform to enhance liquidity for African nations while protecting investor interests and incentivizing sustainable development investments in Africa, including green bonds.

[Learn more.](#)

Assessing Investment Options

During 2022, clients continued to access our LiquidityDirectSM platform for investment options and ESG screening tools to align investments with their core values. Via LiquidityDirect, investors have access to a broad range of money market funds and other short-term investments, including funds that seek to:

- Advance diversity and inclusion by executing trades through diverse broker/dealers
- Conduct securities screening based on a range of factors
- Apply ESG criteria for portfolio construction
- Direct a portion of revenues or management fees to an organization where the fund's and client's ESG values align

LiquidityDirect also helps clients assess eligible investment options to determine their impact by using our Focused Investing Application. Through relationships with ESG data providers and development of a questionnaire for fund companies focused on ESG, diversity and inclusion, the Focused Investing Application could enable clients to compare investment options across a standard and normalized set of data.

We help clients address ESG investment challenges, from non-standardization to securing meaningful insights on the environmental and social impact of their investments. By adding capabilities to embed clients' ESG investing criteria in their short-term cash management, we are helping them to connect the dots between their values and investments.

Tracking ESG Investment Behavior of Custody Clients

Through recent enhancements to our iFlow Green platform, we are able to track client ESG preferences in their equity investments by measuring the distribution of ESG scores in their daily transactions. The ESG scores include the four core principles of the UN Global Compact to measure how well companies are being managed and to assess potential increased reputational risk. We added these capabilities by introducing new indicators incorporating sectoral equity flows and third-party ESG scoring data.

Investing in What Matters

BNY Mellon's Pershing provides access to investment solutions and reporting capabilities that are designed to enable its clients, wealth management and institutional firms to help their investors invest in what matters.

Pershing's ESG Screener grants clients access to third-party tools such as Morningstar® Sustainalytics that provide detailed ESG reporting. In addition, for its Prime brokerage clients, Pershing provides market insights on the adoption of ESG-related products and access to educational resources. It can also help professional investors discover mission-based investment strategies aligned to their ESG priorities.

Pershing also educates its clients by sharing market insights, including publishing the results of a recent ESG-focused survey. The survey participants included more than 70 professional investors that allocate to hedge funds. To learn more, watch the [video](#) or read the [article](#).

Real-Time Payments

Building on our position as a leader in providing real-time payments, in 2022 BNY Mellon launched Vaia, a new aggregated payment platform that supports a wide range of real-time payment methods. Our Vaia platform gives U.S.-based institutions access to the latest digital payment options for disbursements, enabling them to ensure that their end customers have access to a suite of digital payment options. This platform includes real-time payments via RTP®, Same-Day ACH, Tokenized Payments with Zelle® and push-to debit card — all on a client-branded front end.

Recognizing that trust and integrity are essential to an effective global financial payments system and societal stability, Vaia leverages BNY Mellon's Account Validation Services (AVS) to help our clients to stay on the forefront of fraud prevention and contribute to a more secure and stable financial system.

We also offer expanding capabilities through our Real-Time E-Bills and Payments over the RTP® network. In 2022 we began our project to integrate real-time payments onto our Bill Pay Advantage platform, which supports bill presentment and payment for our U.S. biller clients. This solution enables U.S. businesses to present digital bills to their clients in real time via their preferred online and mobile banking channels, while

seamlessly facilitating receipt of an instant payment. This affordable, scalable platform helps create economic opportunities and advance financial inclusion by giving bill payers more control over the timing of their payments, which could assist in the avoidance of overdraft fees and other penalties.

As the originator of the first-ever real-time payment transaction in 2017, and the first bank to provide Request for Payment (RFP) messaging capabilities in 2018, we continue to build on our position as a pioneer in the real-time payments and digital payments space through these advances.

Paper-to-Digital Journey

Industry initiatives such as the drive to accelerate the settlement cycle (T+1),⁵ the environmental benefits of shrinking the carbon footprint, and the need for more collaborative digital tools for client engagement are driving a digital transformation across financial services. Low-carbon digital solutions for sending and receiving payments and related data can yield more efficient processing through automation. They also facilitate fraud prevention through account and identity validation tools and limit the potential for exceptions. BNY Mellon wants to lead that digital journey. With our strong advocacy for digital alternatives, a comprehensive toolkit of solutions, and our consultative approach, we expect to help enable our clients to accelerate their move toward their sustainability-related goals.

As our clients increasingly use digital services such as our Real-Time Payments and Tokenized Payments® with Zelle® solutions, we call their attention to the environmental benefits of digital versus paper-based transactions. For the third year, we are promoting client use of our internally built Carbon Footprint analytics tool to quantify and track the carbon footprint generated by the paper consumption of their treasury practice. This tool equips our client-facing team for quantitative discussions with our environmentally conscious clients about the potential benefits of transitioning away from paper-based payments and aligns with the widening array of digital alternatives that BNY Mellon provides. Our analytics for 2022 indicated that a 10% reduction of clients' paper payment transactions would equate to avoiding approximately 118,000 pounds of carbon dioxide (CO₂) from being emitted into the atmosphere.

⁵ [Accelerating the U.S. Securities Settlement Cycle to T+1](#), TCC, December 21, 2021.

In addition, we are encouraging clients to transition from paper to electronic payment channels to reduce the number of checks they send to BNY Mellon for processing. Our paper check processing volume declined by 5.5% in 2022.

These moves parallel efforts across our own enterprise. For example, BNY Mellon's Pershing, an industry leader in digital transformation, has committed to paper-free operations in 2023 through initiatives aimed at driving adoption of digital solutions, including facilitating investor enrollment in eDelivery. Learn more about BNY Mellon's corporate approach to paper neutrality in [Managing Printing and Paper Use](#).

ESG Bonds

Through our Corporate Trust business, we offer the infrastructure, technology and administrative services to help financial institutions, corporations, insurers, governments and sovereigns navigate the debt capital markets. We support them in various capacities, acting as trustee, principal registrar, and paying, transfer, calculation, authentication and issuing agent.

As such, we support a growing number of green, or sustainability-linked, loans and bonds in which repayment is tied to the achievement of institutional ESG targets, such as greenhouse gas emissions reductions. BNY Mellon administered 118 new green bond issuances totaling \$61 billion in 2022. With a global market share of 22% in deal count origination, we are one of the leading trustees in green bonds by deal volume.⁶

In addition to green bond fund projects such as clean transportation or renewable energy projects, we service social and other types of impact bonds. Social bonds are entirely dedicated to projects or activities that seek to promote improved social welfare or positive societal impact, often targeting essential services such as healthcare, education, affordable education and basic infrastructure.

ESG Advisory Solutions

As ESG investing grows, BNY Mellon strives to help our clients that issue Depositary Receipts understand and navigate the increasing complexities and evolving regulations on sustainable investing and disclosure. Our services range from providing roadmaps to help issuer clients manage investor concerns, to assisting issuer clients in developing ESG strategies that are integrated with their capital markets and investor relations activities. Specifically, we aim to support issuer clients in four major areas:

Education and Benchmarking. Identify material themes within peer groups and industries, including company-specific ESG ratings, peer benchmarking reports, sector trends and regional trends.

Engagement Policy and Strategy. Develop roadmaps to assist in understanding investors' specific ESG concerns, reviewing internal ESG practices, and enhancing communication efforts with investors and other relevant stakeholders.

Intermediary Engagement. Help issuer clients understand and engage with key players, including ESG ratings providers, sustainability index providers, specialized firms and associations, and proxy advisors.

Investor Engagement. Identify institutional investors that have embedded active ESG criteria into their investment processes and facilitate engagement with them; facilitate understanding of top shareholders' ESG priorities and engagement with the right people at these firms.

Through our Depositary Receipts-based advisory services team, we published a series of *Future First*SM Insights, including the following topics in 2022: [Tackling the TCFD Challenge: Issuer Consideration and Investor Preferences in Disclosure](#) and [How Issuers and Investors Can Find Common Ground on ESG](#).

⁶ Green bond data reflective of FY 2022; Dealogic and Refinitiv.

ENTERPRISE ESG

CULTURE AND PURPOSE

Culture is a driving force behind our success as a global leader in financial services. We intend to maintain a high-performance culture by engaging across our global team, supporting their wellbeing, leveraging the rich diversity of our people and equipping them to contribute to our shared purpose of powering individuals and institutions to succeed across the financial world. In our communities, we prepare young people to prosper in the workplace of the future and fund programs that teach students next-generation business and technology skills. We are united by the common values of Passion for Excellence, Integrity, Strength in Diversity and Courage to Lead.

By enabling people to thrive, we contribute to the following SDGs:



DIVERSITY, EQUITY AND INCLUSION

Ongoing racial and social disparities, the lingering impact of the pandemic and continuing economic challenges have heightened the momentum for change in today’s workforce. The employee value proposition is shifting as employees seek employers whose values align with theirs. Clients are more consistently inquiring about diversity, equity and inclusion (DEI) data, programs and opportunities for sharing insights and engagement. External stakeholders including regulators and shareholders are seeking to drive and accelerate change and are requesting increased transparency in diversity plans and performance. To succeed, organizations must respond to these changing stakeholder expectations.

Our Opportunity and Approach

DEI is integral to our business strategy, and we continue to increase accountability, transparency and integration of DEI into how we operate and deliver. With Strength in Diversity as one of our four core values, we actively seek differences in thought, perspectives and problem-solving. We strive to create an environment that unleashes the potential of individuals with diverse backgrounds, experience and expertise to produce better ideas and business outcomes. We deliver programs, adjust our practices and create policies that are designed to embed DEI in our operating and governance models and throughout the talent life cycle. Increasingly, we are shaping our culture to promote a sense of belonging and support wellbeing that enables us to do our best work, build great careers and lead fulfilling lives.

2022 ACHIEVEMENTS

Workforce Diversity: Increased representation of women among senior leaders globally and within our Board of Directors and executive leaders, and increased ethnic/racial representation both in our U.S. workforce overall and in our U.S. workforce among new hires, early career talent, and mid-level, senior and executive leaders compared to 2021.

Disability Inclusion: Achieved 100% on the Disability Equality Index and named a Best Place to Work for Disability Inclusion.*

Inclusive Workplace: Recognized by FORTUNE as one of The World’s Most Admired Companies 2022,** achieved 100% on the HRC 2022 Corporate Equality Index,** and included in the Bloomberg Gender-Equality Index.****

- * [BNY Mellon named to 2022 Disability Equality Index](#), July 21, 2022.
- ** [BNY Mellon Named Among ‘Most Admired’ and ‘Most Just’ Companies in 2023](#), February 1, 2023.
- *** [BNY Mellon recognized for Championing a Culture of Inclusion and Equity](#), January 27, 2022.
- **** [BNY Mellon recognized in Bloomberg’s Gender-Equality Index](#), January 31, 2023.

Strategy and Governance

DEI is integral to who we are as a company, what our people experience as members of our global team, and how we serve all our stakeholders. From the time people join our organization, we work to welcome them into a culture that is respectful and equitable and fosters a sense of belonging. We appreciate the differences and unique contributions of our employees and seek to offer them opportunities for advancement. These values are codified in policies such as our Equal Opportunity Policy in the United States and the BNY Mellon Employee [Code of Conduct](#), which prohibits discrimination.

Our four-pillar DEI strategy is embedded in our business strategy, operating model, talent experience and client value proposition.

The Global Head of Diversity, Equity and Inclusion engages with Executive Committee members and the Board of Directors on DEI goals, progress and challenges. Executive Committee members' variable compensation is informed by performance against our DEI and other goals. Our global head and regional leads, covering the Americas, EMEA, APAC and India, work with other subject matter professionals to develop the global DEI strategy. The team then consults and collaborates with Human Resources colleagues, business leaders and the Executive Committee to adapt and implement the DEI strategy locally.

Employees across the company bring fresh perspectives to our work through their membership in, and leadership of, our Employee/Business Resource Groups (E/BRGs) and by serving on business line and regional DEI councils, whose goals and actions align with our DEI strategy and priorities.

DIVERSITY, EQUITY AND INCLUSION STRATEGY

We have outlined our expectations on DEI in a global strategy that stands on a foundation of four pillars:

Business Imperative

Enable businesses to leverage DEI to improve and differentiate performance

Talent

Build the best global team, reflecting the rich diversity of our talent and client markets and the communities we serve

Inclusive Culture

Ensure our culture is respectful and equitable and fosters a sense of belonging

Market Leadership

Set a high bar for our company and our people to actively champion and drive DEI progress

We strive to maintain current and accurate data that provides visibility into the composition of our workforce. The BNY Mellon People Analytics team maintains and publishes workforce representation data, conducts analyses, and facilitates workforce planning activities, which enables us to track diversity, identify changes and improve representation throughout the talent life cycle.

Advancing Women

While many of our DEI initiatives contribute to the increased representation of women at all grades across the company, several initiatives are intended to help women advance within our organization. These efforts include improved candidate sourcing, including from existing employees, and enhanced recruiting expertise and pipeline affiliates.

To bolster retention and advancement, we promote a culture of sponsorship whereby senior leaders act as sponsors to advocate for and empower high-potential employees, including women, to position themselves as protégés. Development plans should have promotion-readiness objectives and may include sponsorship or coaching to support high-potential women to advance their careers. Learn more in [The Power of Sponsorship](#). We are committed to [pay equity](#) and offer flexible work options. Our employee benefits programs support life balance and provide market-leading, family-friendly policies, including reproductive benefits. Among other changes, we extended global leave for new parents to a minimum of 16 weeks during 2022. Learn more in [Supporting Working Parents and Caregivers](#).

As strategies and policies such as these become more common, they are changing the experience of women throughout the financial services industry, including at BNY Mellon. These developments and ongoing challenges are described in [Is Finance Finally Listening to Women?](#)

In addition, we have pledged to increase senior women representation among Directors and Managing Directors across our EMEA region from 28% to 33% by year-end 2025.

Enterprise ESG 2025 Diversity, Equity and Inclusion Goal

Goal: Drive a culture of inclusion and advance diverse representation

KPI: Increase senior leadership positions held by women and ethnically and racially diverse employees with unique percentage point targets by Executive Committee member

Progress: Among U.S.-based BNY Mellon employees, overall representation of individuals from underrepresented ethnic/racial backgrounds rose to nearly 38% in 2022 from 36% the previous year. Continuing a multiyear trend, ethnic/racial diversity also improved year over year in our senior and mid-level leadership ranks, up to 27% and 36%, respectively.

GLOBAL GENDER DIVERSITY

% women

U.S. Workforce



Global Workforce



New Hires



Mid-level Leaders**



Senior Leaders



Executive Leaders



Board of Directors



* “Mid-level leaders” are inclusive of BNY Mellon’s vice president-level employees, “Senior leaders” are inclusive of BNY Mellon’s director-level and above employees, excluding executive leaders, and “Executive leaders” are inclusive of BNY Mellon’s Executive Committee. Data is based on employee voluntary disclosures, as of December 31, 2022.

Racial Diversity

BNY Mellon is aware of economic, wealth, education, health and social inequities in our communities and the need to take corrective action. In 2020, to accelerate progress we set higher representation goals for our most underrepresented ethnic/racial talent populations in the U.S. We aim to achieve these increases by year-end 2023.

Among U.S.-based BNY Mellon employees, overall representation of individuals from underrepresented ethnic/racial backgrounds rose to nearly 38% in 2022 from 36% the previous year. Continuing a multiyear trend, ethnic/racial diversity also improved year over year in our senior and mid-level leadership ranks, up to 27% and 36%, respectively. Additional details can be found in the EEO1 Report at the end of this report.

U.S. ETHNICITY

% of U.S. workforce from underrepresented ethnic/racial backgrounds

U.S. Workforce



U.S. New Hires



Mid-Level Leaders**



Senior Leaders



Executive Leaders



Board of Directors



* Updated figures for 2021 based on most recent available data.

** “Mid-level leaders” are inclusive of BNY Mellon’s vice president-level employees, “Senior leaders” are inclusive of BNY Mellon’s director-level and above employees, excluding executive leaders, and “Executive leaders” are inclusive of BNY Mellon’s Executive Committee. Data is based on employee voluntary disclosures, as of December 31, 2022.

RACE ACTION IN THE UK

Through our four-part UK Race Action Plan, we are taking steps to attract, advance and retain talented individuals from underrepresented racial and ethnic backgrounds in the UK while promoting a more inclusive culture.

Actions include collaborations with strategic pipeline alliances to access talent at each career stage. We provide training and workshops to increase awareness and build inclusive leadership skills, mentoring and sponsorship, and leadership development. We have also implemented an array of measures to understand our workforce better, including employee voluntary self-identification with expanded options for race and ethnicity, gender identity, sexual orientation, disability and veterans/reserves. This sets the stage to increase self-reported employee data, which we aim to use to measure the effectiveness of our Talent, Recruitment and DEI strategies.

UK RACE & ETHNICITY*

% of UK workforce from underrepresented racial and ethnic backgrounds

UK Workforce

White	53.4%
Not responded	25.0%
Asian	12.5%
Black	3.4%
Mixed/Multiple Ethnic Groups	2.2%
Other Ethnic Group	0.3%
Prefer not to say	3.1%

* UK Race and Ethnicity data based on voluntary disclosures. Data as of December 31, 2022.

SPOTLIGHT

THE WORLD REIMAGINED

As a firm with over two centuries of heritage and a keen view to the future, BNY Mellon welcomed the opportunity to support [The World Reimagined](#), a charitable art education project that explores the history of formerly enslaved people and supports making racial justice a reality. The project features unique globes exploring the history, legacy and future of the Transatlantic Trade in Enslaved

Africans. Designed by artists, the globes were featured as walking trails in London and six other UK cities. As part of the firm’s alliance with the project, BNY Mellon sponsored two globes and hosted a workshop for leaders highlighting inclusive actions. The project provided the opportunity to learn about our past and reimagine a future that can be created together.



“The Palace of the Peacock”
by Fiona Compton



“The Road to Freedom: Hidden in Plain Sight (abolition and emancipation)”
by Asiko Okelarín

Widening Our Talent Pool

To broaden our talent pool diversity, we engage with professional associations, educational institutions, think tanks and nonprofits that reach Black, Hispanic/Latinx, Asian, LGBTQ+, people with disabilities, neurodiverse individuals, veterans and other talent from backgrounds currently underrepresented in our workforce. We aim for fair opportunity by striving for diverse candidate slates, creating inclusive job descriptions and involving diverse interview panels. We engage nontraditional candidates, such as those reentering the workforce after an extended leave of absence. Learn more in [Talent Pipeline](#).

Advancing Diverse Leaders

Workforce representation is often an outcome of successful talent retention. We are enhancing programs, practices and policies to reduce voluntary attrition, particularly among employees from underrepresented groups, and increase diversity at all levels in our organization, especially at the senior levels. We strive for DEI in succession bench criteria and design development plans that improve promotion readiness, offer sponsorship and advance talent diversity. In addition to formal programs, we provide other resources to support the development and retention of diverse talent and improve managers' inclusive leadership competency. [Learn more in Retention](#).

Disability Inclusion at Work

We continue our work to be an even more inclusive employer, reaching out to people with disabilities. HEART, our diverse abilities E/BRG, drives change by increasing awareness and understanding of visible and invisible disabilities and health-related conditions. These include physical and mental health issues, chronic and life health experiences, and neurodiversity. We are proud that in 2022 our European Bank retained our diversity label awarded by Actiris, the public employment service for Brussels. This recognized the completion of a two-year project through which HEART provided education and awareness sessions for managers and human resources colleagues, and helped establish a recruiting channel for people with diverse abilities.

To assess and benchmark our efforts, we participated in the Disability Equality Index for the fourth time in 2022. We scored 100% and were named a Best Place to Work for Disability Inclusion for the third consecutive year.⁷

SPOTLIGHT

NEURODIVERSITY INCLUSION@BNY MELLON

Our recruiting efforts include the rich spectrum of talent diversity, including neurodiversity. Our Neurodiversity Inclusion@BNY Mellon program is a journey from apprenticeship to full-time employment, which aims to create career paths for people with autism, dyslexia, ADHD and other forms of cognitive diversity. This program builds on and broadens our 2021 neurodiversity pilot and 2021 Autism@Work program. In 2022, we expanded participation across our businesses and regions, including international expansion to India. We believe that this neurodiversity initiative accelerates innovation, adds significant business value and helps us harness the power of difference. Through these initiatives and others, we are fulfilling our pledge as a member of the Valuable 500, a CEO-led movement committed to disability inclusion, including neurodiversity.

ADDITIONAL DIMENSIONS OF REPRESENTATION*

% of U.S. and UK workforce

People with Disabilities

U.S. Workforce	5.4%
UK Workforce	0.5%

LGBTQ+

U.S. Workforce	1.5%
UK Workforce	1.8%

Veterans

U.S. Workforce	1.8%
UK Workforce	0.7%

* Data based on employee voluntary disclosures, as of December 31, 2022.

⁷ [BNY Mellon Named to 2021 Disability Equality Index, 2022.](#)

Employee/Business Resource Groups

Our six E/BRGs provide powerful networks for employees across our enterprise. These groups offer mentoring, networking and community engagement opportunities for members and colleagues. Groups are open to all employees. With more than 11,500 unique members, almost one in four BNY Mellon employees is a member of an E/BRG. [Learn more Employee-Led Inclusion.](#)

Enterprise ESG 2025 Diversity, Equity and Inclusion Goal	
Goal: Drive a culture of inclusion and advance diverse representation	
KPI: Increase percentage of participation in E/BRGs, as evidenced by employee registered membership in at least one group, by 3% year over year, starting from the 2019 baseline year	Progress: Membership in BNY Mellon’s six E/BRGs grew from 11,500 in 2021 to 11,635 in 2022

Driving DEI Change in Our Industry

BNY Mellon serves as a powerful catalyst for change when we join with other organizations in making public diversity goals and working toward them collectively. Our support for the following initiatives underpins our long-term commitment to help drive DEI progress across our industry and society more broadly. We are a signatory to, among others:

- Association of Business Service Leaders’ #WorkingTogether Pledge, Poland
- Chartre De La Diversite, Luxembourg
- Gender Equality Charter, Belgium
- Girl Scouts USA Gender Parity Pledge
- HM Treasury Women in Finance Charter
- Open@Work
- Social Mobility Pledge, UK
- United Nations Standards of Conduct for Business Tackling Discrimination against Lesbian, Gay, Bi, Trans, and Intersex People
- Valuable 500
- Women in Banking, Spain
- Women in Finance Charter, Ireland

Enterprise ESG 2025 Diversity, Equity and Inclusion Goal	
Goal: Drive a culture of inclusion and advance diverse representation	
KPI: Consistently rank among the top employers for leadership in the field of diversity, equity and inclusion	Progress: 2022 Bloomberg Gender Equality Index 2022 Disability Equality Index, 100% score Human Rights Campaign Foundation’s 2022 Corporate Equality Index, 100% Score FORTUNE magazine’s World’s Most Admired Companies 2022
A listing of additional DEI awards and recognition is available on our website .	

LEADERSHIP AND DEVELOPMENT

In the wake of the pandemic, companies and their people confronted political uncertainty and market turbulence during the past year. This tumult has impacted how organizations are leading their people and what they expect of their leaders. Prioritization is critical, as leaders are being asked to do more with less and challenged to drive productivity. The need for resilience is prompting companies to equip their leaders to better lead through adversity. With a mounting talent shortage, strong learning and development programs serve a dual purpose. Organizations that devote more attention to internal mobility, reskilling and upskilling are better positioned to retain existing employees. Dynamic learning journeys attract new employees and give existing employees avenues for building skills and capabilities, preparing them to meet the changing needs of an organization and preparing them for the future of work.

Our Opportunity and Approach

BNY Mellon monitors and responds to learning and development trends and the changing needs of both our people and our organization. In collaboration with industry-leading vendors, we recalibrate and deliver programs that are designed to be highly competitive and aligned to employee interests and expectations for professional growth. We place the employee experience at the center of our overall talent strategy, which offers skill-based learning opportunities. Our organization invests in employees' development, both as leaders and as individual contributors. We aim to support lifelong learning by providing opportunities for our people to acquire the skills and competencies they seek and we need. During 2022, in response to employee survey feedback, we adopted a stronger focus on strengthening managers' ability to meet the heightened expectations.

2022 ACHIEVEMENTS

Digital Learning: More than 35,000 employees have taken advantage of our social learning platform since its inception in 2020. In 2022 alone, over 15,700 employees completed at least one program, and 45% of users completed additional programs.

Hiring From Within: 28.8% of open positions were filled by internal candidates.

Skills Development: 1,189 employees completed the New to Manager program.

Equity Award: Provided eligible employees an award of BK Restricted Stock Units, or BK Shares, starting in February 2023, offering employees the opportunity to build wealth by owning in a stake in the company they work for.

Investing in Our People

Across our enterprise, we drive a culture of high productivity and continuous learning and development to support successful leaders and managers and their teams.

EQUIPPING LEADERS

Embedding leadership skills across our organization is a key focus. Our first-line managers, directors and future people leaders participate in comprehensive leadership development programs that set them up for success. We provide training to equip managers and senior leaders with the skills to create an effective work environment that aligns with current workforce needs and the direction of our future of work.

In 2022, we transitioned our leadership programs into new architecture, expanding our scope to cover all aspects of the leader life cycle. Our signature programs start by developing those who aspire to lead others and continue through our most senior leaders. Our six-stage model from Aspiring Leader to Senior Executive is built on the foundation of existing programs and piloted new elements that will be fully scaled in 2023.

At the same time, we have responded to a threefold increase in demand for our New to Manager and New to Director programs driven by rapid hiring and post-pandemic growth. In 2022, 1,189 employees completed the New to Manager program, with a 93% completion rate and 95% favorability score. As an indicator of their positive impact, participants on our signature leadership development programs have received higher scores in our new Manager Impact Survey. We are using this new assessment tool to clarify managerial skills and expectations and as a benchmark for all future development work

Now in its third year, our Leadership Academy online learning platform enables our global workforce to learn digitally and connect virtually. The platform’s learning cohorts, social functionalities and points system support a collaborative and engaging learning environment. Participation has been strong, with over 15,700 employees completing at least one program during 2022 with a 45% repeat utilization rate. More than 35,000 employees have taken advantage of the social learning platform since its inception in 2020.

Enterprise ESG 2025 Leadership and Development Goal				
Goal: Drive a culture of high productivity, engagement and commitment to continuous learning and development to support successful leaders and managers and their teams				
KPI: Increase the number of discrete employees participating in/utilizing nonmandatory learning programs, on a year-over-year basis	Progress			
	Year	2021	2022	YoY change
	Total elective learning hours (excludes mandatory courses)	409,145	528,453	29%
	Average hours per year	8	11	36%
	Distinct count of courses completed	8,657	7,171	-17%
	% of year-end active employee population that completed nonmandatory training	98%	94%	-4%
KPI: Improve manager effectiveness score by 5% year over year, as measured through Manager Upward Feedback process	Due to updates to the employee feedback process, this KPI has been retired.			

EMPLOYEE-CENTRIC LEARNING

We aim to equip existing employees with the skills they need to advance within our organization and into the future. This requires continuously upskilling and reskilling our people, given the decreasing half-life of skills. We strive to create an employee-centric learning culture that offers effective development and training programming and processes.

Learning needs and styles vary across an enterprise of our scale and scope, which is why we offer diverse learning options. We provide a variety of access points and facilitation methods. Learning resources range from firmwide repositories to business-, audience- and skill-based learning hubs. Employees can choose from online learning programs, virtual and in-person facilitation, and hybrid approaches that mix online with instructor-led opportunities. In addition, employees can select collaborative educational opportunities through cohort-based learning activities.

To help employees build and strengthen current and future job-required skills and capabilities, we have developed and implemented new learning programs designed for targeted audiences. Some of these programs include: Sales Excellence Program, Elevate Your Influence, Milestone Group Training Program, Client Skills Training and Digital Assets Learning Inventory.

Our updated approach to mandatory training supports the firm's Consequences Management Framework by offering detailed and timely information to help managers and employees meet required deadlines. Our internal MyCareer site was reimaged and relaunched. This dedicated site supports a continuous focus on career development and helps managers and employees have good career development conversations through bite-sized learning, guides and tools.

DEI Academy

We believe inclusion to be an essential leadership competency that can be learned. To support DEI skill-building for all of our people, we have curated a DEI Academy comprising self-paced and team-building learning resources and tools focused on managing unconscious bias and harnessing the power of inclusion, including:

- **Strength in Diversity: Consciously Managing Bias**, a four-part course on how to mitigate the impact of implicit bias on workplace decisions and actions.

- **Passion for Excellence: Inclusion Powers Our Success**, a six-part course on understanding different lived experiences and leveraging authenticity and differences to competitively differentiate, drive high performance and effectively lead change; includes two bonus modules for managers covering inclusive hiring and inclusive performance management.
- **The DEI Academy**, a curated learning portal serving best practice guides, behavior-based toolkits, team-building resources, microlearnings, research and evidence-based insights, and subject matter expert videos and podcasts. These resources enable employees to continuously learn on their own time, at their own pace, and to competitively differentiate for career progress by acquiring inclusive leadership skills.

Passion for Excellence

Open to all employees, the Passion for Excellence program had over 35,700 completions of its three key modules: Inclusive Culture, Inclusive Hiring and Inclusive Performance Management.

ESG Certification

Our ESG Certification program seeks to acquaint employees with the management and integration of ESG issues within our business operations and the investment process. In 2022, we had over 3,900 completions of the various modules that comprise this program. Leaders use this important tool to raise awareness and trigger meaningful discussions with employees about ESG and sustainability at BNY Mellon.

UPSKILLING A DIGITAL WORKFORCE

As our business and society undergo a digital transformation, we are making technical and digital training accessible to a wide audience through a technology workforce development platform. We are investing to upgrade employees' capabilities through multiple learning and development opportunities, including the following:

Global Payments, Treasury, Issuer Services and Markets Learning Hubs. These online portals provide directed learning recommendations based on identified skill development for select individual contributors, people managers and directors in our Global Operations

business. These hubs provide learning content, both externally sourced and internally developed, from which employees can develop the skills and behaviors required for their current and future roles.

In 2022, 28.8% of open positions were filled by internal candidates. We believe this is evidence of the strength of our learning and development offerings.

Performance Management

Our performance management process plays a critical role in building a high-performance culture and facilitates the alignment of individual contributions with enterprise strategy. We expect manager and team member conversations to create a rich feedback loop to reinforce performance standards and to fuel ongoing professional development.

We use an annual firmwide performance review process to help employees grow and to evaluate how they support our culture, business success, and employee engagement and development. At the beginning of the year, employees work with their managers to set results-based goals that form the foundation for ongoing conversations about the employees' performance throughout the year. All employees are also assigned two corporate goals — one for DEI and another for Embodying a Strong Risk Culture (Risk). These goals reflect our enterprise commitment to the role every employee plays in creating our culture and in protecting the firm. Employees who support specific products and/or clients in certain geographies are also subject to regulatory-specific performance management goals.

While feedback and coaching are intended to be continuous, our process includes two formal reviews: mid-year and year-end. Employees receive individual ratings for their performance against both results-based goals and corporate goals (DEI and Risk) and behaviors; together, these ratings help inform compensation planning, with managers differentiating individual compensation to align with individual employee performance.

COMPENSATION

Ensuring that our employees are compensated competitively and fairly is a priority for BNY Mellon. Supporting our employees' financial wellbeing is important to retain global talent and core to our company purpose of empowering individuals to succeed across the financial world. Performance-linked compensation provides a tangible incentive for employees' contributions.

We also believe that offering employees the opportunity to own a stake in the company they work for can enable them to share and participate in our company's commercial success and potentially give them the opportunity to build wealth. Thus, we provided eligible employees an award of BK Restricted Stock Units, or BK Shares, in February 2023. Through this program, many employees will become first-time participants in the capital markets that we help power.

FAIR PAY

We demonstrate our commitment to fair pay by investing significant resources to achieve this goal, and since 2022 BNY Mellon has paid a minimum hourly salary rate of \$20.00 to employees based in the U.S. This is more than two and a half times the federal minimum of \$7.25.

In further evidence of our commitment to fair pay, we have received accreditation from the UK Living Wage Foundation (the Foundation) for paying the UK Living Wage, as defined by the Foundation, to all our UK employees. We have also worked closely with our UK suppliers to confirm they pay the Living Wage as well. We intend to review this annually to continue our commitment.

PAY EQUITY

BNY Mellon is committed to providing equal pay for equal work. To achieve our goal, we periodically review our pay practices and processes and publicly share the results. This transparency holds us accountable to our stakeholders and contributes to change. We continue to voluntarily publish the results of our most [recent pay practices review](#) and adjusted median pay gap and unadjusted median pay data. The adjusted median pay gap analysis measures whether we are paying employees, regardless of gender or race/ethnicity, comparably for doing the same/similar work. In this

adjusted median pay gap analysis, we account for legitimate factors, including geography, level and job. Unadjusted median pay compares the 50th percentile of pay for a defined group (women or racial/ethnic group) against the 50th percentile of pay for the comparison group (men or majority group). In this analysis, pay is unadjusted, meaning that we do not adjust pay for any factors such as job, geography or job level.

Our recent pay practices review, based on 2022 total compensation data (which includes incentive compensation paid in early 2023), found that compensation for both women globally and U.S. employees from underrepresented ethnic/racial backgrounds is, on average, 100% of their respective counterparts. We also published our *2022 UK Gender Pay Gap Report* in accordance with the UK Government's criteria, our fifth such report. Measuring a gender pay gap is not the same as measuring equal pay. This report provides an overview of the difference between the average earnings of men and women in our largest UK employing entity, notes the drivers behind any gaps, and describes the steps we are taking to improve gender representation at all levels of the company. In addition, we increased transparency by publishing a *Gender Pay Equity Report* in Ireland for the first time.

BNY Mellon is one of the few banks that has published its unadjusted median Total Compensation data since 2021, comparing the 50th percentile of the defined group (women and underrepresented communities in the U.S.) against the 50th percentile of the comparison group (men or majority group). Based on 2022 Total Compensation data, BNY Mellon's unadjusted global pay for women was 92.3% of the unadjusted median pay for men, and unadjusted global pay for underrepresented communities in the U.S. was 95.5% of the unadjusted median pay for other employees.

Attracting and Developing Future Talent

Attracting outstanding individuals from all backgrounds to our organization is vital to achieving our corporate value Passion for Excellence and helps us remain a global leader in financial services. We invest in our coordinated suite of programs for individuals at key transition points in their career progression.

TALENT PIPELINE

We offer numerous opportunities designed to attract qualified individuals to our organization and advance career growth. In tandem, our philanthropic focus on developing the workforce of the future synergistically aligns our commitments to DEI, digital transformation, Community Impact giving and employee volunteering.

We took a number of steps in 2022 aimed at engaging and including candidates from diverse backgrounds in our recruitment process and offering them equitable access to our job openings. We equipped hiring managers with resources, tools and training, such as a recruitment process checklist and an Inclusive Hiring course, so our hiring process can be more inclusive of a broadly diverse talent pool.

United States. We offer Early Identification programs that attract diverse candidates to our organization and advance career growth, from our Freshmen JumpStart Program and our curated one-day Sophomore Summit to our summer internship program to one- and two-year rotational and immersion programs.

During our campus recruiting season, we engage with several Historically Black Colleges and Universities, Hispanic Serving Institutions, and Minority Serving Institutions. We also strengthened outreach to diverse candidates by collaborating with and being a sponsor at several diversity conferences: The Society of Hispanic Engineers, National Association of Black Accountants, CMD-IT/ACM Richard TAPIA neurodiversity conference, Association of Latino Professionals For America and the Grace Hopper Conference for women technologists.

EMEA. Supporting our UK Race Action Plan and our commitment to the Social Mobility Pledge, we have a number of strategic pipeline alliances that help us tap into a broader, more diverse talent pool. These include Investment 2020; BYP, the largest UK network of Black

professionals; Black Professionals Scotland and the #10000BlackInterns program. We also participate in the Diversity Project's Investment Springboard Mentoring Program, in which high-performing students from lower socio-economic backgrounds are mentored by our employees, provided with an opportunity to participate in work experience and encouraged to apply for a place on our campus programs.

India. We have evolved our Fellowship Pilot Program and are strengthening and diversifying our candidate pipeline by working with local, strategic alliances to access talent pools including people with disabilities, neurodiverse candidates, women returning to the workforce, LGBTQ+ and veterans. We provide training for managers and teams to ensure everyone feels welcome and to strengthen a culture of inclusion and belonging.

CULTIVATING TECHNOLOGY TALENT

BNY Mellon recruits and prepares future technology talent through a growing system of campus recruiting and training programs. In addition to a long-standing summer internship and 18-month full-time program for full-time technology hires, we now offer a semester-long mentorship program with the City University of New York (CUNY), The Community College of Allegheny County (CCAC), Seminole State College in Florida and Union County College (UCC) in New Jersey. We launched a new collaboration with STEM Women, which gave us access to online and in-person events and job fairs hosted by STEM Women. In November, the Campus Recruitment team participated in a Computer Science Workshop at London South Bank University.

Eligible mentorship participants can interview for a cultivated internship with our Future Talent Program (FTP) in the U.S. This program has proven to provide a strong stream of hires. In 2023, we will scale the FTP Program to enroll at least 40 community college students. Through this continuum of training, we are advancing technology talent in the financial services industry and increasing our access to qualified candidates in a competitive marketplace.

SPOTLIGHT

PREPARING NEW YORKERS FOR WORK

As a cofounder of the 32-member New York Jobs CEO Council, launched in 2020, BNY Mellon is addressing employer needs for skilled employees by training and hiring New Yorkers, with a focus on Black, Hispanic/Latinx and Asian communities. In collaboration with CUNY, a BNY Mellon philanthropic partner, the New York City Department of Education and other groups, the Jobs Council members aim to hire 100,000 low-income and diverse New Yorkers by 2030, including 25,000 CUNY students. As of the end of 2022, a total of nearly 1,600 CUNY students had completed 10 Micro-Credential programs. Of those, 505 had been hired, with most landing internship positions with Jobs Council companies. In addition, 31 CUNY faculty members have participated in faculty fellowships across five CUNY colleges.

EMPLOYEE ENGAGEMENT, RETENTION AND WELLBEING

Increasingly, employees seek employers that demonstrate a commitment to supporting their physical and psychological safety and performance. They value life balance, with the ability to prioritize their individual physical, emotional, financial and social wellbeing. Successful employers are evolving by listening to understand these changing needs and placing a higher priority on the wellbeing of their employees. They are adopting flexible policies and resources to help employees manage their personal growth, life balance and overall welfare.⁸

Our Opportunity and Approach

We continue to build a distinctive people experience to engage BNY Mellon employees. Our offerings cover the full life cycle of our relationship, from first contact through to alumni status. We adjust our practices and policies in our ongoing efforts to provide a supportive workplace that meets employees in their life moments. Engaged employees are critical to our success: When employees are at their best, they are more productive, creative, purpose-driven and collaborative members of our workforce. We strive to maintain a listening culture that responds to varying employee needs.

2022 ACHIEVEMENTS

Employee Engagement: Increased our overall employee engagement Net Promoter Score (NPS) by 9 points to 33 and achieved an upward trend across all regions.

Retention: Achieved a company-wide retention rate of 85%.

Supporting Employees and their Families: Announced global 16 weeks New Parent Leave to support new parents regardless of their family's path to parenthood. Introduced globally consistent leave policies for employees experiencing bereavement, becoming a new parent and caring for a loved one. Employees may take up to 10 days' leave to help manage planned or unplanned family care circumstances.

⁸ [The Great Attrition: The power of adaptability](#), McKinsey Organization Blog, 2021.

Employee Engagement

Living our company’s purpose and values requires employees who are engaged and committed to achieving our shared goals. Our people generate the innovations, administer the programs and deliver the services that enable our success day by day and year to year. Their continued engagement as members of a collaborative, inclusive and diverse community is essential to our continued business success and their wellbeing. We support engagement by striving to:

- Connect the work of our employees to company success in the context of an inclusive culture of recognition and appreciation
- Provide platforms for employee opinions and ideas
- Catalyze personal and professional growth

LISTENING TO EMPLOYEE FEEDBACK

Regular surveys are an important tool for listening to our employees and understanding the overall employee experience and satisfaction. They give employees a vehicle to express their opinions and concerns and inform our ongoing management strategies and programs. In 2022, BNY Mellon fully transitioned to measuring employee engagement through a third-party tool that continuously gathers and summarizes employee feedback to provide managers with information on employee sentiment. The latest enterprise-wide survey revealed that in 2022 employee engagement overall increased by 9 points to a 33 NPS and is trending up across all regions. Key findings show that goal setting was the highest-rated experience by our employees. Manager support and healthy peer relationships were also highlighted as strengths. We attribute these strong results to several recent initiatives.

Cross-organizational Connectivity. Initiatives such as our 1BNY Mellon campaign to promote collaboration across the enterprise are enhancing information sharing and training and increasing cross-company client referrals.

Life Balance. We introduced a new Work from Anywhere program that allows eligible employees to work from certain locations for 10 business days each year, subject to certain restrictions and jurisdictional requirements.

Career Path. To promote internal mobility and advancement, our enhanced MyCareer webpage provides information about taking advantage of opportunities available within BNY Mellon and how employees can invest in their growth.

Equity Rewards. Extensive communication promoted existing tools and increased understanding of the reward process, and we announced BK Shares, a new equity award program for eligible BNY Mellon employees globally.

European Works Council

In several European countries/jurisdictions where BNY Mellon operates, there is employee representation present on formalized internal work councils or staff delegations that are based on a legal framework. Work council members are elected by the employees. They meet on regular basis to be informed and consulted by management on the progress of the business.

Enterprise ESG 2025 Leadership & Development Goal

Goal: Drive a culture of high productivity, engagement and commitment to continuous learning and development to support successful leaders, managers and their teams

KPI: Run a new company-wide employee engagement survey in 2020 to establish baseline engagement scores
Perform on target with benchmark engagement scores for financial services industry

Progress:

- Launched a comprehensive People Experience initiative to address this opportunity
- Achieved a 33 Net Promoter Score on engagement, an increase of 9 points from 2021, which exceeds the finance industry benchmark of 20

EMPLOYEE-LED INCLUSION

With more than 11,500 unique members, our six E/BRGs provide a powerful platform for engaging employees. Functioning as business impact groups, they help us achieve enterprise DEI goals. They also drive culture change through initiatives that provide a supplemental support system, community of belonging and peer networks for our people throughout their career journey. For example, E/BRGs designed and launched a Cross-E/BRG Mentoring Program and a Reverse Mentoring Program that expose participants to different thinking, which benefits both emerging and established leaders. In India, our Inclusion Ambassador network of influencers and change agents work collectively to strengthen a culture of equity, inclusion and belonging.

SUSTAINABILITY AMBASSADORS

At BNY Mellon, our employees rise to the challenge of climate and environmental issues through our Environmental Sustainability Ambassadors (ESA) volunteer group. In 2022, membership increased to well over 1,000 employees, prompting the establishment of a new governance structure to lead the organization. Members kicked off a spectrum of new initiatives that span the enterprise. ESA groups launched BNY Mellon Reforestation, a global reforestation project. In 2022, 104 volunteer hours were logged and 36 trees were planted by our chapter in Houston, Texas. As more local tree planting partnerships are established, we look forward to this program continuing to expand.

We launched MyImpact, a program customized to BNY Mellon to serve as a personal carbon footprint tracker for employees. MyImpact also offers steps that employees can take to reduce their personal carbon footprint. ESA members also facilitated the development of an internal ESG data portal called the Carbon Dashboard that tracks numerous metrics around energy and paper use, which contribute to the environmental footprint of the company. In addition, local chapters hosted events designed to address issues of concern to their communities.

- Inspired by the film “A Plastic Ocean,” Singapore office employees, family members and children teamed up for a beach cleanup, triggering a matching donation to Habitat for Humanity.

- ESA leaders engaged employees during the Pittsburgh inaugural Week of Service, supporting community nonprofits by winterizing a tree nursery and conducting a fall cleanup in downtown Pittsburgh.
- Offices across our APAC region invited employees to pledge to participate in a month-long plastic-free month, demonstrating their commitment to eliminating single-use plastic.
- In London, the local ESA chapter held an event on “The Environmental Impact of Your Diet” featuring a guest speaker who discussed how agriculture and our diets effect the climate, biodiversity and land use.

EMPLOYEE RECOGNITION

Authentic and sincere recognition can be one of the most important factors to protect employees against burnout. When employees are recognized, it helps them see that they and their contributions are valued as part of the success to their team and the company overall. Our enhanced recognition program is cultivating a meaningful culture of appreciation, one that celebrates employees for demonstrating firm values and behaviors, reaching service milestones and achieving wellbeing goals. More than 90,000 recognitions were awarded in 2022, with a 5% increase in peer-to-peer recognitions from 2021 to 2022. In 2022, we introduced global wellbeing achievement awards to reward employees for prioritizing self-care and reaching their wellbeing goals.

As part of our continued mission to support a culture of appreciation, we are upgrading our recognition program with enhanced capabilities, expanded redemption offerings and new ways to celebrate our employees.

Retention

Retaining talented and skilled employees reflects the health of an organization and contributes to its success. To retain valued employees, we implement a global retention plan tailored to the workforce needs in each region. In 2022, we continued to provide extensive support and extended benefits to help support employees as they coped with the impacts of the pandemic.

To monitor this important indicator, we track employee retention both globally and regionally. In 2022, our company-wide retention rate was 85%, which represents a 2% decrease from 2021.

EMPLOYEE RETENTION BY REGION

Asia Pacific



Europe, Middle East & Africa (EMEA)



India



Latin America



U.S. & Canada



Total



To engage and retain valued employees, we cultivate internal talent pipelines, support high-potential employees with development plans, and increase the inclusion of women in our candidate and promotion slates as well as internal talent referrals. For example, our Maximizing Personal and Professional Potential (MP3) talent development program in India helps women in mid-management build skills to weather challenges with resilience. Successful candidates complete group mentoring sessions and then are coached by sponsors for role readiness. In 2022, this program expanded to our APAC region as we sought to engage more women at junior levels.

THE POWER OF SPONSORSHIP

A strong sponsorship culture contributes to the advancement of high-potential talent and supports a strategy to diversify senior leadership and retain talent. In 2022, we graduated the first group of senior talent who participated in our flagship Executive Sponsorship Program. Through this program, high-performing Black and Hispanic/Latinx employees were paired with a member of BNY Mellon's Executive Committee and participated in programmatic engagement and development of inclusion as a differentiated skill, including our Sponsor Ready course, board speaker series and peer networking/coaching forums.

Building on the success of this program, we launched an International Sponsorship program in which mid-level and senior leaders from underrepresented groups are sponsored by executives across APAC, EMEA, India and LATAM to increase their visibility and advance their careers. Participants in both programs learn to strengthen a culture of sponsorship that engages and elevates more of our underrepresented top talent.

Finally, we continued offering our five-week Sponsor Ready e-learning course, which is designed to build awareness and skill in sponsoring colleagues. Open to all employees, this course is designed to create a culture that is contributing to sustained knowledge sharing, skill building, diversity of thought, talent advancement and retention.

Employee Wellbeing

Supporting employees and their families in a changing world is essential to our continued success. We have adapted our approach from previous years to address employees' diverse needs in their work and home environments today. We want employees to feel supported in all aspects of their personal wellbeing, no matter the life moments they encounter.

We provide a flexible suite of resources for employees to manage and sustain their health goals, grow their personal resilience, support their families and reach their financial goals. When our people have the support they need in the moments that matter, they can be resilient, bring their best and deliver for our clients.

BUILDING AND PRIORITIZING PSYCHOLOGICAL SAFETY

We continuously seek to strengthen a sense of belonging and connection to the company, where employees feel safe to share authentic perspectives without fear of retaliation.

Increasingly, employees are also looking to their organizations and more specifically their managers to normalize conversations around their wellbeing. To foster a psychologically safe work environment, we prioritized mental health awareness training and equipped managers with tools and training to foster a culture of belonging. New Life Moment toolkits provided managers with quick reference, best practice reminders to support team members through important life events and transitions. We encouraged positive mental health across the firm by leveraging mandated manager training and practical case studies, achieving a 94% completion rate. Recognizing the prominent need for mental health support in the workplace, we expanded our in-house resources to respond, in the moment, when our employees need it most. We anticipate these actions will contribute to creating a supportive environment and retaining top talent.

We also broadened our Mental Health First Aid employee network globally. These employees learn practical skills such as empathetic listening, mental health awareness and techniques to direct colleagues to more specialist resources. Alongside greater openness, their advocacy helps reduce the stigma of mental health in the workplace. Across the globe, our network is committed to providing a psychologically safe and supportive working environment that supports our diverse workforce.

SPOTLIGHT

SUPPORTING MENTAL HEALTH AT WORK

Acknowledging World Mental Health Day, four of our Executive Committee members joined a clinical expert in an open discussion on the topic of psychologically safe environments and the importance of creating a sense of belonging in the workplace. The group discussed the risks of an absence of psychological safety, including erosion of self-esteem, isolation and lack of connectedness, which could lead to more serious health risks, including anxiety and depression. Representing different E/BRGs, the leaders discussed some personal experiences of psychological safety and how they have shaped their personal development and wellbeing.

SUPPORTING WORKING PARENTS AND CAREGIVERS

We are committed to providing employees with the tools and resources to balance the demands of a career and family. We offer child, elder and personal care programs, referrals and resources, emergency backup day care and paid parental leave benefits as well as adoption and fertility assistance (all vary by location).

Especially considering the ongoing economic impact and uncertainty from the pandemic, now more than ever, employees are seeking long-term, meaningful benefits. In 2022, we continued to evolve our absence and leave policies and family-forming benefits to meet employees and their families in their life moments.

In support of new parents, we extended our global leave to a minimum of 16 weeks to help new parents welcome and bond with their child. Whether employees welcome their child through birth, adoption, fostering, surrogacy or other paths to parenthood, our New Parent Leave supports employees as they navigate and balance the new demands of their career and family. This enhancement is designed to give all employees fair and equal treatment when a child arrives, supporting equal and shared parental responsibilities. Where local

statutory or firm enhanced policies are more generous, they will prevail. In locations where statutory pay is paid directly to the employee, pay will be “topped up” to meet 100% salary for 16 weeks. Prior to welcoming a child, our family-forming benefits include enhanced fertility treatments in various locations. We also include adoption assistance for full-time and part-time benefit-eligible employees, including expense reimbursement up to \$10,000.

For employees experiencing grief and loss of a loved one, we introduced a global bereavement leave, of up to 10 paid days, inclusive of miscarriage. More than 6,000 employees across the globe utilized this absence option to help them take important time to grieve for their loss.

PROMOTING POSITIVE WELLBEING BEHAVIORS

We prioritize an investment in preventive health resources and encourage employees to take a proactive approach to their health and wellbeing. From biometric screenings to vaccination clinics, we offer a variety of preventative health resources to reduce employees’ risk of more serious health conditions. More than 4,000 flu vaccines were administered through our onsite locations and voucher programs to employees and their dependents. Our onsite health centers support employees as a convenient and accessible healthcare option for a variety of health concerns and wellness coaching.

Our workforce was challenged during 2022 with significant financial stressors as a result of increased cost of living and economic uncertainty along with professional and personal role changes. These changes to the global economy and personal sector directly impact the financial wellbeing of our employees. For this reason, we offered focused financial wellness and awareness sessions across regions to educate and empower employees to better manage their finances within a changing economic climate.

CARING FOR EMPLOYEES AND THEIR FAMILIES

Living life to the fullest means maintaining personal health, getting the best treatment when needed, and having a financial strategy for the future. When our employees need support or experience the unexpected, we are with them on their life journey. At BNY Mellon, we offer comprehensive benefit programs ranging from healthcare to retirement, and voluntary insurances to meet the unique needs of our employees and their families.

Healthcare Plans. We continue to focus on delivering consumer-centric programs that meet the diverse needs of our workforce that are affordable and accessible by all, balancing the employee experience against the high cost of healthcare. We are also working to offer more voluntary benefits to support families financially.

Life Insurance and Disability Coverage. We provide financial protection benefits to support employees in the event of an illness, injury or death. BNY Mellon pays the full cost of life and accident insurances and short- and long-term disability. Based on individual needs, employees have the option to buy down or purchase additional coverage for themselves and their dependents. We also offer access to a variety of employee-paid voluntary financial benefits, including hospital indemnity, critical illness and accident insurances.

Pension and Post-retirement Healthcare Plans. We encourage employees to save more for their retirement while retaining flexibility and choice over the level of their personal contributions depending on their specific life circumstances.

Stock Ownership Options. BK Restricted Stock Units and BK Shares allow eligible employees to share and participate in the ownership of the company. We also offer ESPP (Employee Stock Purchase Program) in a number of countries, allowing employees to purchase company stock at a discount. Learn more in [Compensation](#).

In continuing to build highly competitive benefits, we regularly review and enhance our benefits policies and offerings to meet employees' changing needs.

SPOTLIGHT

BK SHARES

In late 2022, we initiated an equity grant program called "BK Shares," a new equity award program for eligible BNY Mellon employees globally. This award of BK Restricted Stock Units, or BK Shares, were provided to employees who do not otherwise receive equity so that all employees have a way to participate in the commercial success of the enterprise and benefit from the company's business growth. Now almost all employees own BNY Mellon stock.

OUR COMMUNITY IMPACT

Ongoing social and economic inequality has led to a growing need for companies to advance economic opportunity and equality. Increasingly, employees and others consider leadership on global challenges such as these a core function of business, according to some research.⁹ These important stakeholders expect businesses to expand equitable access to opportunity and use their financial and human capital to contribute to a future in which all can reach their full potential. Our strategic philanthropic work provides our employees with the opportunity to invest in and advance their professional skills while assisting others and addressing pressing societal issues.

Our Opportunity and Approach

With a long history of trust, resiliency and innovation, BNY Mellon is a cornerstone of the global financial system. This role carries with it the unique responsibility of orchestrating opportunity for organizations and individuals around the world. We seek to have a positive impact in the areas where our employees live and work by providing philanthropic funding and leveraging the time and talent of our employees. In doing so, we advance our legacy of citizenship and service to foster a sense of purpose that inspires our employees and attracts people to BNY Mellon as a place to work and do business with.

2022 ACHIEVEMENTS

Ukraine Response: Catalyzed a full-firm response, including philanthropic contributions, 2:1 employee matched giving campaign, and pro bono and volunteer action.

Building the Future Workforce: Funded 100% of our \$20 million commitment to academic and job training organizations for multiyear educational and workforce development programming.

Empowering Nonprofits: Provided nearly 3,200 hours of employee pro bono technical assistance and strategic advising valued at more than \$600,000* and 83,000 hours of employee volunteering, 51% of which were skills-based.

Doing Well By Doing Good: Collaborated with Dreyfus (a BNY Mellon company) to establish the BOLD® Share Class (Black Opportunity for Learning and Development), which includes a charitable contribution to Howard University, a leading Historically Black College and University.

Employee Giving: Raised \$1.2 million in employee donations and company matching from more than 2,400 employees in 10 countries through our Giving Tuesday: Annual Week of Impact.

* [Valuation Guide: Giving in Numbers Survey](#), CECP, 2022.

⁹ [2022 Edelman Trust Barometer](#), Edelman, 2022.

Strategy and Scope

BNY Mellon helps to drive environmental and social impact by addressing issues relevant to our business and mobilizing the company’s resources to benefit people, institutions, communities and the planet.

Aligning with our role in powering success across the financial world, our company’s current philanthropic focus area, led by the Global Impact Citizenship (GIC) team, is Developing the Workforce of the Future.

We strive to create equitable career pathways and address persistent gaps in workforce representation in business, technology and STEM fields. Overall, during 2022 we aligned 68% of GIC’s managed giving with our philanthropic strategic focus, exceeding our goal of 65%. We also respond to other emerging global needs such as natural disasters and humanitarian crises, with a focus on areas where our employees work and live.

2022 Community Support

\$36.9 MILLION

Employee Giving

\$3.0 MILLION

Company Matching Donations*

\$5.5 MILLION

Foundations Giving

\$8.8 MILLION

Corporate Grants and Scholarships

\$19.1 MILLION

Value of pro bono volunteering**

\$600,000***

All figures are rounded to the nearest 100,000.

* This amount includes funds provided by the Bank of New York Mellon Foundation of Southwestern Pennsylvania.

** Valuation Guide: Giving in Numbers Survey, CECP, 2022.

*** Data includes Signature and Legal Pro Bono programs.

Enterprise ESG 2025 Community Impact Goal

Goal: Leverage the company’s resources and employee talent to help significantly increase impact of community support in the regions and countries in which BNY Mellon operates.

KPI: Direct 65% of corporate grants and sponsorship giving donations to organizations and causes that are aligned with our strategic focus of developing the workforce of the future

Progress: Aligned 68% of Global Impact Citizenship’s corporate grant and sponsorship giving with our strategic focus of developing the workforce of the future

Developing the Workforce of the Future

We work with nonprofits, academic institutions and other organizations to help develop a future workforce that is equitable, diverse, sustainable and innovative. Our strategic philanthropic investments are focused on meeting the needs of individuals from high-school age to early career who are from groups that have traditionally been underrepresented in the business and technology fields.

In 2020, we made a \$20 million commitment to fund the future workforce, which aims to create equitable career pathways in business, technology and STEM fields. In 2022, we devoted a majority of our corporate grant funding to building the workforce of the future in three primary areas.



Link connects individuals from diverse backgrounds with innovative job training and skills.



Learn provides equitable educational access through scholarships and paid internships.



Lift addresses racial and economic disparities and empowers communities to realize their potential in the future workforce and economy.

LINK

Our goal is to link diverse talent with innovative pathways to enduring careers. Thus, we direct funding to job skills training, curriculum development and mentoring programs, including by supporting the following organizations:

- Salford Foundation in the UK collaborates with students through Get Set Interview Ready workshops and other activities that equip participants with the necessary skills and knowledge for the world of work.
- Per Scholas prepares individuals from groups traditionally underrepresented in technology, especially people of color, women and young adults, for high-growth careers in the field. BNY Mellon supports their programming in multiple U.S. cities.
- Teen-Turn strives to build digital equity through a three-year program that teaches digital citizenship skills in critical thinking and self-advocacy to teen girls in Dublin, Ireland.
- Maharishi Karve Stree Sikshan Samastha and the International Association for Human Values established Skill Development Centers in Pune and Chennai, India, to upskill young women and transgender persons with professional skills to transform them into the job-ready workforce.

With the growing demand for green jobs, we also supported programs that cultivate sustainability-related job competencies, including the following:

- Wildlife Conservation Society’s Career Lattice program creates equitable and inclusive career pathways for thousands of young New Yorkers and helps to inspire the next generation of conservation advocates and STEM professionals.
- EcoRise’s Building Resilient Communities program serves 60 educators and 3,360 students in New York City with its innovative Sustainable Intelligence curriculum, professional development and Student Innovation Fund.
- Apps for Good’s Innovate for Climate Change course teaches young people from disadvantaged backgrounds about the climate crisis, enabling them to gain essential green tech skills they need to thrive and take action for a greener future.

SPOTLIGHT

CELEBRATING YOUNG ENTREPRENEURS

BNY Mellon's support for Junior Achievement (JA) Europe includes sponsoring the *Future First*SM Award at JA Europe's largest Entrepreneurship Festival, Gen-E. This event recognizes the entrepreneurial achievements of European students to build a more sustainable future and decrease social inequalities while fostering innovation and creativity in the next generation. The award was presented to a Swedish team for its unique robot, which reduces landfill at recycling stations by separating glass from window and door frames. Our funding also supports entrepreneurship education programs and the design and development of an ESG learning module. This tool introduces students to key concepts of sustainability, social impact, circular economy and the blue economy and explains why these present risks and opportunities for entrepreneurs.

LEARN

By supporting academic institutions, we aim to address financial barriers that create inequities in access to higher education in business, finance and STEM. A cornerstone of our \$20 million commitment to developing the workforce of the future is our support for students at the City University of New York (CUNY) and the Community College of Allegheny County.

Learn more in [Cultivating Technology Talent](#).

We also provide financial support for The Benjamin Franklin Cummings Institute of Technology's Center for Computing and Interdisciplinary Technology, which helps to prepare students for family-sustaining careers in computer information technology. Their programs mirror the fast-paced marketplace and keep students aligned with modern technological advances in the field.

In addition, BNY Mellon funding also supported scholarships for Black and Latinx students through:

- Three of the most prominent HBCUs: Howard University, Morehouse College and Spelman College
- The Hispanic Scholarship Fund, which also provides students with support services, such as mentoring, leadership development and career services
- The Jackie Robinson Foundation, one of the nation's premier scholarship and leadership development programs for minority college students

Investments and Donations to Boost Diverse Scholarships

BNY Mellon investment advisor Dreyfus is providing scholarship grants for diverse students through one of its investment funds as part of its collaboration with Howard University. Investments in the BOLD[®] shares of the Dreyfus Government Cash money market fund trigger a charitable contribution of either 10% of revenue or a minimum of \$300,000 every year, whichever is greater. Dreyfus has also pledged nonfinancial support, including education, mentorship and raising awareness of career opportunities at BNY Mellon. In addition, both the BNY Mellon Foundation and the BNY Mellon Foundation of Southwest Pennsylvania have pledged to invest 2% of their portfolios in BOLD shares. This new stream of funding extends an ongoing philanthropic relationship.

LIFT

Safe and resilient communities are necessary to support the development of our future leaders. To that end, we invest in community and economic development and support organizations that address racial equality and social justice, such as the National Network for Safe Communities at John Jay College, Legal Defense Fund and Southern Poverty Law Center. In addition, we funded organizations supporting the Asian American Pacific Islander community such as Asian Americans Advancing Justice-AAJC, the National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship (National ACE), and Asian Americans for Equality, Inc. We also support the LGBTQ+ communities through funding a variety of related organizations, including the Ali Forney Center shelter, a homeless services organization for LGBTQ individuals facing family rejection, and Hudson Pride Center, the largest LGBTQ+ community center in New Jersey.

In 2022, BNY Mellon became a founding member of Economic Opportunity Coalition, an initiative to increase

financial inclusion and accelerate economic opportunity in underserved communities in the U.S.

To help city government address the challenges of homelessness and mental illness, BNY Mellon has joined the New York business community in launching the Homeless Assistance Fund. This collective public-private initiative between the Partnership for New York City, city government and over 60 companies has pledged more than \$8 million to support expansion of Breaking Ground, a nonprofit devoted to accelerating provision of shelter and mental health treatment to New Yorkers in need.

Internationally, BNY Mellon rolled out the “Dream Village” contest to our employees in India, with an objective of engaging them in the process of nominating and identifying four villages in Maharashtra and Tamil Nadu, India, for a comprehensive village development program. The project involved provisioning funding and volunteering support from BNY Mellon and our employees to enhance the socio-economic infrastructure of the selected villages, empowering the community toward sustainable existence. Concurrent interventions were planned in natural resource management, livelihood enhancements, health, education, sanitation and women’s empowerment to bring dignified and healthy living and stronger self-governance to rural communities.

A Catalyst for Innovation

The UpPrize Social Innovation Challenge returned for a fifth year to increase the number of impactful technology-based solutions targeted to critical social challenges. In 2022, it focused on technologies designed to advance racial and economic justice while also strengthening diversity, equity and inclusion among entrepreneurs and businesses in southwestern Pennsylvania. The three finalists, who were chosen by an independent panel of community judges from over 70 applications, were awarded a total of \$300,000 in prize monies. Additionally, all applicants had access to a number of educational trainings.

Disaster and Humanitarian Response

As part of our commitment to protecting human rights and giving back to the community, we also respond to emerging needs globally, such as humanitarian crises and disasters. For example, in 2022, we mobilized support for the American Red Cross Hurricanes 2022 Relief Fund following the devastation caused by Hurricanes Fiona and Ian. Our work with the American Red Cross spans nearly four decades, and in 2022 BNY Mellon was honored with the American Red Cross Corporate Leadership Award for our dedication to giving back and making an impact in our community through philanthropy.

SPOTLIGHT

DECISIVE ACTION TO AID UKRAINE

In response to the conflict in Ukraine and driven by our enduring commitment to human rights, BNY Mellon delivered a decisive, [company-wide response](#) in support of the people and economy of the besieged country. Together with our employees, we have donated over \$2 million to nongovernmental organizations providing humanitarian assistance and protection to civilians. The company joined the global effort to support Ukraine during this ongoing conflict by providing funding to the UN’s Office for the Coordination of Humanitarian Affairs to quickly scale up life-saving humanitarian assistance after the invasion and to Foundation Ukraine to offer funding and technology to support refugee resettlement. We ceased new banking business in Russia and suspended investment management purchases of Russian securities.

BNY Mellon's Poland and Ireland locations offered pipeline employment roles to Ukrainian citizens and refugees displaced by the conflict and provided wellbeing assistance to employees who have been impacted. We lifted the pandemic-related pause for in-person volunteering, clearing the way for employees in our Wroclaw, Poland, office to provide volunteer aid. To amplify employee giving, we provided a 2:1 company match campaign for employee donations to organizations providing humanitarian relief in Ukraine, including several local organizations in Poland. For example, BNY Mellon provided funding to enable the Future Leaders program of local nonprofit WrOpenUp to support young students by translating training materials into the Ukrainian language and by working closely with psychologists to adjust materials where necessary to create a safe space for experiential learning, appreciation for diversity and positive integration.

Learn more about how we are [Protecting Human Rights](#).

A Shared Commitment

We expect the recipients of our philanthropic funding to share our commitment to protect human rights. We require nonprofit organizations, such as charities and nongovernmental organizations, applying for financial sponsorship or donations to certify compliance with our Non-Discrimination Policy Certification for Non-Profits and to complete a thorough vetting process.

Employee Giving and Volunteering

We incentivize our employees to volunteer and give back to the communities where they live and work and to support the causes and organizations about which they are passionate. BNY Mellon's year-round Community Impact program offers our employees several ways to engage in purpose-driven volunteerism and increase the impact of their time and financial contributions. In 2022, BNY Mellon provided a 1:1 company match for employee donations to approved charities and matching donations of \$25 per hour for volunteer time spent in support of approved charities up to \$5,000 annually. In addition, eligible employees may take up to three days of paid time off to volunteer per year with nonprofits of their choice.

Each year we engage employees globally through a combined giving and volunteering campaign. Beginning in 2021, these campaigns took shape as firmwide Giving Tuesday: Annual Week of Impact. During our second Annual Week of Impact, the long-awaited return to in-person volunteering after a 26-month hiatus brought an influx of excitement and energy to our employee base. Employees at locations around the world joined with our Environmental Sustainability Ambassadors and groups from Risk & Compliance, the Chief Administrative Office, Pittsburgh Campus and locations in India on a range of projects, many of which aligned with our climate and sustainability theme. All told, more than 2,400 employees in 10 countries participated, raising a total of \$1.2 million for educational and charitable organizations. During this event, the firm provided a 2:1 match for all approved organizations and provided a list of climate- and sustainability-focused nonprofits to employees.

PRO BONO ADVISING

An enlightened approach to philanthropy calls for — and the large, intractable challenges facing the world demand — collaborative, shared-value partnerships between the private and nonprofit sectors, not merely transactional support. One of the ways BNY Mellon realizes this goal is through our robust corporate pro bono practice. In addition to building the capacity of our nonprofit partners by applying our world-class expertise in areas such as technology, finance and human resources, our employees have the opportunity to learn and grow as part of one-of-a-kind stretch assignments in an entirely new context.

We offer these opportunities through two program formats: our one-day, marathon-style Pro Bono Accelerator and our intensive, multi-week Cross-Sector Fellowship. Through these programs, employee experts offer critical consulting and develop game-changing solutions for our philanthropic partners. This year's pro bono consulting projects, such as the examples provided below, demonstrated the breadth of our employees' expertise and reach and of our partners' impactful work.

- A team of our Global Operations & Technology and Digital experts collaborated with CUNY to develop a system-wide Career Services Technology Strategy informed by the feedback of nearly 500 students and staff. The strategy was enthusiastically received by CUNY's CIO and, when implemented, will support

the New York City public university system’s large first-generation-to-college population in finding and preparing for jobs and internships.

- A cross-functional team of our Human Relations professionals provided strategic advising to Human Rights First, an organization that combats extremism around the world. The team created a career framework to support employee development and revamped the organization’s employee handbook, which the nonprofit anticipates will have a transformative impact on its people strategy.
- Driven by BNY Mellon’s role on the Economic Opportunity Coalition and recognition of small businesses as powerful drivers of economic empowerment, the company hosted our first devoted small-business-focused Pro Bono Accelerator. Employees provided strategic advising and technical assistance to local Black, Indigenous, and People of Color (BIPOC), women, and LGBTQ+ entrepreneurs and small businesses, which ranged from a biotechnology startup to a snacks company.

Learn about our pro bono work in support of [human rights](#).

SKILLED VOLUNTEERING

In addition to pro bono advising, BNY Mellon employees engaged in skills-based volunteering during 2022. Of the nearly 83,000 hours of employee volunteering, 51% were skills-based. Using their general professional experience to mentor, coach and educate others, our people are helping to open possibilities for some of society’s most underserved populations.

For example, with JA Europe, BNY Mellon employees have leveraged their time and skills to provide volunteer support to young people in many areas, including: LinkedIn training, mathematics workshops, career coaching, employability masterclasses, Gen-E competition shortlisting and virtual job fairs.

Business for Good Case Competition

BNY Mellon’s first Business for Good Case Competition engaged teams of summer interns in a unique skills-based volunteer opportunity while allowing students to meaningfully contribute to the firm’s citizenship efforts. As part of a business school-style case competition, interns conducted research and participated in

nonprofit-led masterclasses to inform a proposal to further BNY Mellon’s impact related to one of four identified United Nations Sustainable Development Goals. A panel of executive judges from BNY Mellon and the United Nations Foundation awarded first place to “Energy Through the Roof,” a plan to use solar panels and water hubs to “green” a building on our Pittsburgh campus. This team and four other finalists then won the opportunity to select a nonprofit organization to receive grant funding from BNY Mellon. A similar program for interns in India generated impressive technology-powered solutions with a social impact.

Enterprise ESG 2025 Community Impact Goal

Goal: Leverage the company’s resources and employee talent to help significantly increase impact of community support in the regions and countries in which BNY Mellon operates

KPI: Facilitate 130,000+ hours of employee volunteerism annually

Progress: With in-person volunteering resuming in May of 2022 after a pause during the pandemic, we achieved nearly 83,000 hours of employee volunteerism, 64% of our goal

KPI: Increase total hours of Signature Pro Bono consulting delivered to nonprofits by 10% over the 2019 baseline year

Progress: Increased total Signature Pro Bono consulting hours by 14.5% compared to 2019 baseline year

KPI: Achieve a skills-based volunteering target of 40% of total employee volunteer hours, ensuring that a significant portion of volunteer efforts leverage employees’ professional experience

Progress: Achieved skills-based volunteering level of 51% of total volunteer hours

ENTERPRISE ESG

RESPONSIBLE BUSINESS

Businesses, communities and global economies rely on BNY Mellon as a trustworthy, dependable steward of financial operations around the world. We know our clients and continuously strive to embody our goal to act responsibly, powered by effective governance and proactive risk management. In a year fraught with global financial, geopolitical and climate challenges, we continued to support our clients, investors and the markets. As a resilient global financial services institution, we provide the continuity of operations our clients expect.

By conducting our business responsibly, we support the following SDGs:



STRONG GOVERNANCE

The high standards set by our corporate governance structure support the strength and resiliency of our business. This structure is underpinned by a deeply experienced and independent Board; active engagement with stockholders and key stakeholders, including our clients, employees and communities; and the adoption of corporate and board governance best practices. Our corporate governance practices support Board oversight of corporate culture, human capital management and director recruitment efforts aimed, in part, at enhancing Board diversity. Our effective internal governance and external disclosures about the role of management and the Board in areas including technology resiliency and climate-related risk management are significant for shaping the expectations of our investors, asset managers and the broader community.

Our Opportunity and Approach

Strong governance practices position BNY Mellon to provide clear, transparent communications to stockholders and quality services to clients in all market scenarios, and to conduct business with excellence and integrity. Accountability and our core value of Integrity infuse our practices, guidelines and policies. We are committed to operating with strong ethical business practices, fair and equitable compensation, a diversified board of directors, and transparency. We endeavor to provide regular and clear communication to our stakeholders on the topics that are important to them.

2022 ACHIEVEMENTS

Stockholder Engagement: Reached out to stockholders representing over 65% of the company's outstanding common shares.*

Diverse Board: One of the most diverse boards on Wall Street, with 36.4% women and 36.4% from underrepresented ethnic/racial backgrounds, making our Board over 72% diverse on the basis of gender, race and ethnicity.*

Board Self-Evaluation and Director Assessment: In 2022, as part of its annual self-evaluation and director assessment process, the Board introduced a third-party facilitator to conduct individual director interviews and more directly support peer-to-peer feedback.

Board Refreshment and Succession: The Board's focus on refreshment and succession efforts over the past several years has resulted in a balanced Board composition, including seven directors who have been added to the Board in the last five years, each of whom adds significant experience and expertise to our Board, complementing and supplementing the experience, diversity and skills of our Board as a whole.

* [2023 Proxy Statement](#)

Corporate Governance

Effective corporate governance is foundational to a prosperous, sustainable and responsible business, and it can profoundly impact how a company approaches its responsibilities to stockholders and other stakeholders. BNY Mellon is committed to a robust corporate governance framework consistent with best practices for public companies. Our Board of Directors, the Board’s Corporate Governance, Nominating and Social Responsibility (CGNSR) Committee, and management evaluate corporate governance developments on an ongoing basis, including through engagement with stakeholder groups, to identify and, where appropriate, implement changes to align with best practices as they evolve. As described below, the Board and the CGNSR Committee have been active in refining our governance framework. In 2022, the CGNSR Committee, which is composed entirely of independent directors, held five meetings.

As a signatory to the Commonsense Principles 2.0, we embrace corporate governance principles for sound, long-term-oriented governance. Similarly, our endorsement of the [Business Roundtable’s Statement on the Purpose of a Corporation](#) signals our commitment to our stakeholders in our pursuit of improving our business performance.

Enterprise ESG 2025 Governance Goals

Goal: As part of the director recruitment and refreshment efforts for the parent Board of Directors, continue to ensure that candidate slates include individuals with diverse backgrounds and perspectives in order to maintain the Board’s diverse composition

KPI: Review at least annually the diversity criteria applied by the Board in its process of evaluating the qualifications of potential candidates

Progress: Completed for 2022 evaluation process

KPI: Integrate into the evaluation of external search firms’ performance a review of such firms’ capabilities in developing diverse candidate pools

Progress: In 2022 the CGNSR committee evaluated its engagement with external search firms, including firms’ capabilities in developing diverse candidate pools

Goal: Formalize proactive outreach program to engage stockholders on ESG performance

KPI: Increase proactive engagement with top stockholders on ESG topics

Progress: In 2022, BNY Mellon reached out to stockholders representing over 65% of the company’s outstanding common shares and held discussions, including with respect to ESG topics, with those that accepted our invitation

KPI: Enhance integration of ESG content in public reporting, including but not limited to BNY Mellon’s Proxy materials

Progress: Please see Oversight of Environmental, Social and Governance Matters section of the [2023 Proxy Statement](#), pages 32-36

ESG AND CLIMATE GOVERNANCE

The CGNSR Committee and the full Board are composed of members who bring a diverse set of skills, background and experience to BNY Mellon, including in the energy and utilities spaces. This deep and relevant subject matter perspective and expertise contribute to the directors’ exposure to, knowledge of and engagement with climate and other related ESG matters. Director education courses relating to ESG are included in the regular roster of training opportunities made available to all directors, and the CGNSR Committee expects to continue to focus on ESG-specific director education topics to further enhance the directors’ understanding of ESG developments and matters, including climate change.

The CGNSR Committee meets with members of BNY Mellon’s Executive Committee and senior-level members of the Enterprise ESG team on a semi-annual basis. Updates are presented regarding enterprise environmental management, with a focus on environmental sustainability and climate-related goal setting, and progress and strategy regarding our operational footprint. Other material information, such as stakeholder input and peer comparison, may also be provided.

Throughout 2022, senior management provided the CGNSR Committee with reports and updates regarding BNY Mellon’s environmental and sustainability programs. Management also held sessions, including with external experts, directly with the full Board to cover developments on ESG matters. We also use these briefings to advance the knowledge of the Board on ESG issues, climate change management, regulatory developments and related issues to keep them current with the rapid changes in these areas. The Chair of the CGNSR Committee reports to the full Board of Directors regarding the topics covered by the CGNSR Committee at its previous meeting. In this way, the Board is kept apprised of material developments regarding our environmental goals and strategies, can monitor such developments, and can incorporate relevant information into its overall decision-making and strategizing processes as appropriate.

KEY DATA

BOARD OF DIRECTORS*

Average director attendance: approximately 99% at Board and committee meetings held in 2022

Minimum required director attendance: 75% of Board and committee meetings

Board independence: 91%**

Women directors: 36.4%

Ethnic and racial diversity: 36.4%

Directors who joined the Board in the last five years: 7

* The figures provided with respect to director independence, diversity and tenure are based on Board membership following the 2023 Annual Meeting of Stockholders.

** Director independence is determined by the Board based on our Corporate Governance Guidelines and NYSE and SEC requirements. For additional information see the [2023 Proxy Statement](#).

BOARD INDEPENDENCE

Our governance framework features well-defined roles and authority for our Board of Directors, with a leadership structure involving an independent Chair, separate from our CEO, Robin Vince, who serves as the only non-independent member of the Board. Independent directors meet in executive sessions, presided over by our independent Chair, at regularly scheduled Board meetings. Our CGNSR Committee and Board evaluate this structure annually, or more frequently as needed, to help ensure alignment with the needs of the company.

AGENDA AND PROCESS

Our Board has a well-established focus on long-term business strategy and resiliency, leadership, and corporate culture and performance. This foundation positioned the Board to oversee and provide insight to management on the company’s response to the challenges, uncertainties and opportunities that occurred throughout 2022, including as it relates to

our impact on our communities and society more broadly. The Board agenda throughout the year included consistent financial, operational, strategic and business-related topics, and the Board maintained a regular dialogue with management regarding its direction and action on matters related to DEI, social justice, and public policy and advocacy. Our Board also exercises oversight of the CEO succession strategy and executed that responsibility during 2022 with the appointment of Robin Vince as CEO effective August 31, 2022.

In 2022, as part of its review of the design of the Board's self-evaluation exercise for the Board and its committees, the CGNSR Committee adjusted the regular process to introduce a third-party facilitator. The CGNSR Committee engaged the support of a third-party facilitator as a means to keep the evaluation exercise fresh, incorporate more granular focus on individual director (or "peer-to-peer") feedback, and leverage the experience and insights of an outside expert.

More information about our Board of Directors and Director Nomination Process is included in our [2023 Proxy Statement](#).

STRENGTH IN DIVERSITY

The strength of our Board is a product of the diversity of our directors' experiences, backgrounds, perspectives and institutional knowledge. The Board is committed to fostering and maintaining diversity among its members. Diversity is an integral component of the process undertaken by the CGNSR Committee and the Board for recruiting director candidates and evaluating the composition of the Board. To capture the benefits inherent in differing perspectives, we seek to include directors with diverse backgrounds, including with respect to race, gender, ethnicity and sexual orientation. Following the election of directors at the 2023 Annual Meeting of Stockholders, 36.4% of our directors are women and 36.4% of our directors are diverse on the basis of race or ethnicity. In addition, four of the six standing committees of the Board are chaired by a director who is diverse on the basis of race or gender.

EXECUTIVE COMPENSATION

Our executive compensation program is structured to drive results over the long term. At target, 75% of our CEO's incentive compensation and generally 70% of our other senior executives' incentive compensation is delivered in equity awards, with the balance paid

in cash. We pay bonuses and incentives based on performance against goals, including those on specified ESG topics, such as diversity, equity and inclusion and risk management. See our [2023 Proxy Statement](#) for our full compensation discussion and analysis.

INVESTOR ENGAGEMENT

Our Corporate Governance, Enterprise ESG and Investor Relations teams are committed to engaging regularly with our top investors. We offer meetings on governance issues between top investors and Board members and track the discussions and outcomes. In 2022, our analysts and executives met with broader investor audiences in our offices and virtually. Management and investor dialogue increased as we addressed topics such as executive compensation, company strategy and response to the Ukraine-Russia conflict, corporate governance, DEI, and other issues relating to our Enterprise ESG strategy.

Management reports regularly to the independent directors regarding investor discussions and feedback to keep them informed of stockholders' perspectives on a variety of issues, including governance, strategy, climate and performance, and to enable them to consider and address those matters effectively. For example, stockholder feedback played a significant role in the design and implementation of a stockholder written consent right. It has also informed the CGNSR Committee's oversight of climate-related and environmental sustainability matters and helped shape the focus of the company's initiatives and impact in a number of areas.

TAX TRANSPARENCY AND INTEGRITY

Our firm's culture of "Doing What's Right," as represented in the BNY Mellon Code of Conduct, extends to paying taxes. BNY Mellon's tax mission is to comply with applicable laws and regulations in the jurisdictions where we operate and have an open dialogue with tax authorities during all authorized inquiries and audits. We seek to facilitate transactions that achieve a tax result that is consistent with the underlying economic consequences and are consistent with the letter of the law. More information related to taxes is in our [Annual Report 2022](#) and in our [Global Tax Strategy](#).

RISK MANAGEMENT

Social, political, environmental and financial turbulence has continued to impact economies and communities. In the face of these and other market disruptions, investors, regulators and the public alike scrutinize business operations, assessing companies' ability to navigate pressing global challenges. Markets expect effective corporate governance, strong risk management and business resiliency, as well as ethical and transparent workplace standards that enable organizations to thrive over the long term.

Our Opportunity and Approach

BNY Mellon plays a vital role in the global financial markets, and effective risk management is core to our success. Our customers and the financial markets depend on BNY Mellon for our financial strength. We are recognized globally for our solid balance sheet, healthy risk culture and commitment to financial stability in the market environments where we operate.

We seek to manage risk responsibly and serve as a reliable custody and investment source. We maintain a comprehensive and strong Risk Management Framework that is designed to enable intelligent risk-based decisions by appropriately identifying, measuring and mitigating material risks to support responsible growth. In that context, we are increasingly focused on climate change as a risk driver. BNY Mellon proactively supports sustainable growth, with an evolving Risk Management Framework to further embed the consideration, impact and management of climate-related risks.

2022 ACHIEVEMENTS

Risk Management: Continued to implement risk management principles through initiatives that drove a strong risk management culture, clear risk ownership and comprehensive risk oversight.

Cultivating Leaders: Continued to expand our Executive Development Program for emerging diverse, high-potential Risk & Compliance leaders.

Risk Management Principles

Our risk management principles provide a company-wide approach to effectively and appropriately managing risk.

This approach includes:

- A strong risk management culture across the company
- Clear risk ownership by the businesses and corporate functions
- Comprehensive oversight by Risk & Compliance

This approach enables us to better identify, monitor and manage our risks across the enterprise and provide our Board with the information needed to exercise appropriate governance and oversight. Our risk principles are foundational to our ability to achieve our strategic priorities, including scaling and digitizing our operating model, implementing ESG and climate risk considerations into the framework, and realizing growth opportunities.

As we remain focused on cultivating a strong risk culture, we reiterate the value of adopting a commercial mindset to all employees. Our Risk and business leaders jointly communicate the importance of taking intelligent risks to confidently grow and innovate, which entails understanding, measuring and managing risks for the best outcome.

For example, as part of our enterprise-wide response to the Ukraine crisis, we took innovative business actions to navigate market volatility, guided by our ability to intelligently manage risk.

Additionally, in keeping with our leading role in the growing digital assets and cryptocurrencies markets, BNY Mellon is appropriately enhancing the framework to effectively manage the unique risks and returns of these assets.

For additional information, see the Risk Management section on page 49 of our [Annual Report 2022](#).

Enterprise ESG 2025 Risk Culture Goal

Goal: Sustain strong global risk and compliance culture focused on risk awareness, ownership and ethical behavior*

KPI: Drive active employee engagement and ownership of risk and compliance requirements through ongoing strategic communication and development

Progress:

- Provided risk and compliance learning courses to employees
- Promoted employee understanding and management of risk by regularly publishing leader blogs and news articles on important risk concepts, policies and practices, and sending a regular risk and compliance-focused newsletter to all employees. Launched a risk culture video series for employees in which executives provide examples of ethical conduct or managing risk in their careers.
- Implemented a company-wide initiative to harmonize and strengthen the ways the businesses and Risk & Compliance collaborate to manage risk

* Language in the goal was refined to provide clarity.

Climate-Related Impact and Risks

BNY Mellon is committed to understanding and addressing climate-related risks that can impact the company's operations. Learn more in [Managing Climate-Related Impacts](#).

Enterprise ESG 2025 Risk Framework Goal

Goal: Continue to evolve and fortify our risk infrastructure's integration into business-as-usual practices across the organization

<p>KPI: Promote consistent and aligned utilization of the risk life cycle (identification, measurement, mitigation, monitoring) across the company as a key factor in risk/reward decisions for product, client and geography prioritization</p>	<p>Progress: Global risk frameworks have been enhanced to require specific consideration of climate as a driver of risk, including assessment and management of potential impacts</p> <ul style="list-style-type: none"> • Tailored relevant risk policies and governance structures to support risk identification and management • Enhanced risk appetite statement with climate change highlighted within broader ESG risk consideration • Identified core vulnerabilities and corporate climate risk profile • Established specific climate risk guidance for primary risk categories and key risk assessment processes, and initiated stress testing and scenario analysis workstreams • Defined KRIs to measure climate risk impacts and to support monitoring relative to risk appetite • Completed foundational training and initial awareness building to key global teams and select boards
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SPOTLIGHT

CULTIVATING DIVERSE RISK TALENT

We seek to advance diverse talent at all levels of the Risk & Compliance organization through innovative development programs, such as mentoring, cross-training and our Executive Development Program (EDP). Through the EDP specifically, rising high-potential Risk & Compliance leaders receive experiential learning, leadership education and exposure to the BNY Mellon Executive Committee and Board of Directors. Based on a successful first year, we continue to expand our EDP across Risk & Compliance. Graduates have experienced significant career benefits, as participating in the program provides visibility to senior leaders and enhances their readiness for career advancement.

Compliance and Ethical Behavior

BNY Mellon's Code of Conduct applies to all employees. At the foundation of our Code are our values of Passion for Excellence, Integrity, Strength in Diversity and Courage to Lead. This Code guides our behaviors in all business activities and helps shape our overall conduct and risk culture. The Code is a unifying document that sets out the key principles and common expectations for all employees with regard to: respecting others, avoiding conflicts of interest, conducting business, working with governments, protecting company assets and supporting our communities.

Our ongoing measures to reinforce these standards include annual employee training covering topics such as ethics, anti-corruption, protecting assets, business continuity, anti-money laundering and information risk. For all employees, training on additional issues such as safety and security in the workplace, unconscious bias, workplace bullying and harassment are important to maintain a safe and inclusive culture and are therefore

mandatory to meet certain company and regulatory requirements. These trainings, in addition to ongoing risk management communications, help drive employee ownership of risk and compliance outcomes. To bring our risk culture to life for employees, in 2022 we instituted a Risk Culture video series featuring executives sharing examples of how they successfully managed risk or made a difficult ethical decision during their career. All employees are required to complete and attest to understanding an annual Ethics and Our Code of Conduct training course.

ESCALATION AND SPEAKING UP

Our core values are intended to empower all employees to act with Integrity, and we strive to provide our employees with the necessary knowledge and resources to identify, notify and report issues in a timely manner. We provide several ways to ask questions or make a report, including an Ethics Helpline, operated by the BNY Mellon Ethics Office, and an Ethics Hotline, operated by an independent administrator.

Anyone who reports a concern or reports misconduct in good faith, and with the reasonable belief that the information is true, is demonstrating a commitment to our values and following our Employee Code of Conduct. The company has zero tolerance for acts of retaliation.

ANTI-BRIBERY AND CORRUPTION

Money laundering and other financial crimes undermine confidence in the financial system and create other significant negative societal impacts. At BNY Mellon, we combat financial crime and work to prevent criminals from financing illegal activities through our network.

Within our organization, we have a zero-tolerance policy on bribery and corruption. Our Employee Code of Conduct, as well as our Director's Code of Conduct, detail our expectations regarding anti-corruption compliance. The Employee Code of Conduct is designed for employees to certify compliance with hiring-related requirements and the corporate Gifts & Entertainment Policy, among other subjects. We monitor potential conflicts through our anti-corruption compliance program, which covers business dealings and relationships in countries where BNY Mellon and our subsidiaries and associates operate. The program is designed to comply with both U.S. and non-U.S. laws and

regulations, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act. It covers business activities and regulatory requirements, including gifts and entertainment, charitable contributions, hiring practices and third-party intermediary due diligence. Employees complete mandatory anti-corruption new hire and semi-annual refresher training courses, with specialized training available to higher-risk job segments.

The Global Anti-Corruption Office administers an enterprise-wide Anti-Corruption Risk Assessment process on a periodic, recurring basis. The assessment is tailored to identify inherent bribery and corruption risks, relevant controls and residual risk across BNY Mellon. Outcomes of our risk assessment process help guide our employee training regime, inform compliance testing coverage and spot emerging threats on the horizon. Recent continuous improvement measures have included third-party due diligence routines designed to enhance payment-related governance in our supply chain.

Cybersecurity

As we accelerate our digital transformation and cyber threats become more sophisticated, maintaining high levels of cybersecurity is paramount to both protect our business and drive value to our clients.

Our Cybersecurity Program. BNY Mellon's Cybersecurity program is operated under the direction of the Chief Information Security Office (CISO). It is under continuous audit by internal auditors and subject to ongoing, formal challenge by the Technology Risk Management Team within the second line of defense. Senior oversight for the program is provided by executive-level committees composed of leadership from all three lines of defense, including the Technology Risk Committee, Technology Oversight Committee, Senior Risk and Controls Committee, and the Risk, Audit and Technology Subcommittees of the Board. Additionally, the CISO provides an annual update on the cybersecurity program to the full Board. External auditors also review our program as required in the Sarbanes Oxley (SOC) Act and as designed in the Service Organization Control (SOC1).

Our cybersecurity program is grounded in our Cybersecurity Services Model, which is composed of layered controls that align with internationally

recognized standards, such as ISO 27001/2. The Bank of New York Mellon Corporation's Information Security Management System is ISO/IEC 27001:2013 certified. We monitor changing regulatory requirements, guidelines and technologies in all countries in which we operate, and our global program reflects industry and business best practices, including the National Institute of Standards and Technology Cybersecurity Framework. Learn more about our [Information Security and Protection](#).

An important component of our cybersecurity strategy is the protection of data across our operations and communications. We invest in advanced technology to protect data, including encryption techniques such as Transport Layer Security to protect communications between clients and internal systems. All of our techniques are based on industry best practices and standards, which are incorporated into internal policies.

Threat Intelligence. Our Threat Intelligence team drives our organization to prepare for and prioritize evolving security threats using information from our peers and the broader financial services industry, law enforcement, government and a variety of other public and private sources. We continually evaluate our enterprise for vulnerabilities and risks, and watch for advanced adversaries, to increase situational and contextual awareness.

24/7/365. Our Security Monitoring global staff work shifts to provide coverage 24 hours a day, enabling the company to manage cybersecurity risks through the timely detection and escalation of data or technology incidents involving the violation of confidentiality, integrity or availability. SOC analysts perform “eyes on glass monitoring” of the Security Information & Event Management (SIEM) system. They triage suspicious technology activities identified by automated alerting and escalate to various incident-handling teams when activities are deemed a potential cyber threat.

Cybersecurity Training. Employees in our technology departments and throughout the firm play a vital role in maintaining information and systems security by identifying and mitigating risks. All employees complete information risk training upon hiring and annually, and have the opportunity to participate in ongoing risk awareness campaigns. We track participation rates and survey results to evaluate effectiveness and identify areas for improvement. We also educate employees

through our Cyber Awareness Month, held annually since 2004, which focuses on adopting secure behaviors this year. Additionally, where appropriate, role-specific training is also made available.

Client Privacy. We help our clients protect themselves from fraud, including cyberfraud and other fraudulent activity, by providing guidance on guarding against phishing, personal identity theft and other threats. Access our [Terms of Use](#) for more information.

Enterprise ESG 2025 Technology/Cybersecurity Goals

<p>Goal: Continually evolve business protocols to help ensure systems continuity in every jurisdiction in which we operate, and across borders</p>	
<p>KPI: Expand our information security management system based on an internationally recognized specification (i.e., ISO 27001) for all critical applications and business services</p>	<p>Progress: BNY Mellon successfully recertified for a three-year cycle the ISO 27001:2013 in 2021. We are preparing for the upcoming surveillance audit in July 2023 as a key requirement to maintain BNY Mellon’s ISO 27001 Certification and Customer SLA.</p>
<p>Goal: Evolve business protocols to provide technology knowledge, resilience and business continuity</p>	
<p>KPI: Cultivate a globally competitive level of workforce awareness concerning information systems security</p>	<p>Progress: Increased the scope and cadence of experiential learning and threat simulations for staff</p> <p>Established a recurring hands-on cyber range capability whereby cyber operations and key technology partners participate in live incident response activities against human and automated adversaries in an isolated environment</p> <p>Expanded in-person and virtual webinar-styled awareness opportunities with special emphasis on social engineering and other commonly used tactics by adversaries</p> <p>Created “ride along” opportunities for cyber operations and key technology partner employees to participate in Cybersecurity Red Team operations and gain an appreciation for the adversaries’ perspective</p> <p>Expanded Social Engineering proactive testing to include voice (vishing) and SMS (text) testing as part of Red Team operations</p>

Data Privacy

Technological developments present opportunities for financial services institutions such as BNY Mellon to use personal information to develop improved products and services, support clients more effectively and efficiently, and better manage risk. Data Privacy is the right to maintain control over how personal information is collected and who can process that personal information and for what purposes. BNY Mellon, and other organizations, are subject to laws and regulations that make us accountable for collecting and using personal information in a fair and lawful manner. Guided by our core value of Integrity, we view the protection of privacy as an opportunity to earn and safeguard client trust. We commit to act ethically and lawfully when handling the personal information of our clients, employees and other stakeholders.

BNY Mellon’s data privacy program is led by our Global Privacy Office, which is responsible for the development and implementation of the BNY Mellon Privacy Framework (Privacy Framework) and supporting policies, procedures and controls. Our Privacy Framework is aligned to leading international privacy standards and follows the Three Lines of Defense model utilized across the financial services industry. This model sets forth specific roles and responsibilities shared across the Global Privacy Office, Lines of Business and Corporate Functions, and the Legal, Compliance and Audit functions.

DATA PRIVACY POLICIES AND INDIVIDUAL RIGHTS

BNY Mellon has implemented data privacy policies and procedures that apply to BNY Mellon processes that utilize personal information. Key elements of these policies and procedures include:

- Providing individuals with privacy notices to inform them that we are collecting their personal information, how we will use it, what rights they have in relation to it, and how they can exercise these rights
- Identifying an appropriate legal basis to collect and process personal information and, when required, seeking consent
- Minimizing the volume of personal information we process by limiting collection to that which is necessary for processing purposes and not retaining it for longer than required for these purposes

unless we are required to do so in accordance with legal, regulatory, tax, accounting or technical requirements

- Operating a robust process to respond to individuals who choose to exercise their privacy rights
- Carrying out data protection impact assessments to identify and mitigate privacy risks in new or updated processes
- Taking steps to protect personal information across the data life cycle, operating an information security framework aligned to global standards
- Implementing appropriate protections when we transfer personal information across international borders
- Implementing third-party governance to help ensure that our data privacy standards and expectations are met by suppliers and business partners when they process personal information on our behalf
- Maintaining an inventory of the personal information BNY Mellon processes to support the activities listed above

RISK MANAGEMENT

We conduct regular audits and assurance activity relating to compliance with our data privacy policies. We monitor compliance through oversight of data privacy metrics and undertake assessments across BNY Mellon for privacy risks and control weaknesses, proactively investigating concerns, and monitoring systems and processes for privacy related events and incidents.

REGULATORY READINESS

BNY Mellon actively tracks the latest data privacy developments facing our industry and proactively adjusts our data privacy strategy and controls in response. As states and countries introduce, update and strengthen their data privacy legal and regulatory frameworks, we strive to stay abreast of these developments in the markets in which our firm operates. We maintain a Privacy Regulatory Implementation Program to make the necessary updates to our Privacy Framework to support us in demonstrating compliance with the applicable new and updated data privacy laws and regulations that we are subject to.

DATA PRIVACY INCIDENT MANAGEMENT

We maintain a robust personal information incident management process that directs the reporting, assessment, handling and escalation/notification of data privacy incidents.

DATA PRIVACY TRAINING

We believe that our colleagues play a critical role in protecting personal information. To help employees understand the role they play in this, the Global Privacy Office provides regular training and promotes awareness on data privacy-related risks and procedures, including a mandatory training session on key data privacy principles and requirements that is completed annually by colleagues and by new joiners as part of their onboarding. In addition, we conduct annual events and awareness activities in celebration of International Data Privacy Day to educate employees on the Privacy Framework, reminding employees that respecting individual privacy rights and handling personal information with care demonstrates that BNY Mellon operates with integrity.

ENTERPRISE ESG

GLOBAL CITIZENSHIP

Integrity and Courage to Lead are essential qualities of good citizenship. They are also core values at BNY Mellon. These foundational principles are a driving force that guide our stewardship of resources and relationships. We are taking broad action to understand and mitigate the impacts of climate change on our business, and the impact of our business on the planet. We continue to work toward using natural resources efficiently, implementing thoughtful energy solutions, and engaging our people as change agents. We seek to help individuals and communities to reach their full potential by cultivating a diverse, ethical supply chain, advocating on relevant issues and protecting human rights.

By advancing the welfare of our planet and people, we contribute to the following SDGs:



MANAGING CLIMATE-RELATED IMPACTS

Climate-related impacts, including risks and opportunities associated with climate change, are of significant relevance to corporations and financial institutions. There is increasing expectation from regulatory and supervisory authorities globally that financial institutions should consider and manage climate-related risks. These authorities continue to closely monitor climate-related systemic risks and assess their current and potential impacts on both local and overall global financial stability. Many financial institutions are addressing climate-related risks and opportunities by integrating climate-driven risks into enterprise risk management frameworks and developing and offering products and solutions that align with clients' goals.

Our Opportunity and Approach

Our Climate Mission: Thoughtfully integrate climate considerations in our operations, including providing clients with a spectrum of solutions to help them meet their goals.

We have built a corporate climate strategy, detailed below, that is aligned with broader organizational objectives such as our Enterprise ESG goals and leading external frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Given that we touch approximately 20% of the world's investable assets, we utilize a thoughtful approach to managing risks and seeking opportunities throughout our business.

BNY Mellon has been a TCFD supporter since 2019 and several of our Investment Management firms align their corporate climate disclosures to the TCFD recommendations.¹⁰ This report section is informed by the recommended disclosures of the TCFD and is structured according to the four pillars of the TCFD framework. The TCFD Index provides a guide to the location of our responses, including those located in other reporting. We seek to address climate-related opportunities throughout our business strategy and across our enterprise. Thus, additional information can be found throughout this report, primarily in [Sustainable Client Solutions](#) or located through the [TCFD Index](#).

Across our business, we maintain numerous affiliations with industry and thought leadership initiatives to support corporate considerations of climate-related risks and impacts.

¹⁰ Please note reporting on climate-related risks and opportunities is not meant to serve as regulatory requirement disclosures.

Climate-Related Governance

Formal governance and oversight responsibilities for climate-related topics ultimately sit with our Board. The Corporate Governance, Nominating and Social Responsibility (CGNSR) Committee is the primary Board committee responsible for oversight of BNY Mellon's climate-related efforts.

The work to integrate climate-related risks and opportunities across our business is a part of our larger efforts to understand and manage ESG in the way we operate. The Business Management and Client Committee (BMCC) receives updates on the execution of our corporate climate strategy, as does the CGNSR Committee, which is the highest-level body with purview over corporate climate strategy. ESG considerations are integrated into the Executive Committee (EC) members' goals. As part of its 2023 goals, the EC will support the achievement of BNY Mellon's Enterprise ESG Goals. This includes the goal to reduce greenhouse gas emissions by 20% from a 2018 base year, for Scope 1 and 2 emissions, including data centers. In addition, the boards of directors of the various legal entities within the broader BNY Mellon organization, as well as key external stakeholders, are consulted for strategic input and/or are presented with climate related updates on a regular basis.

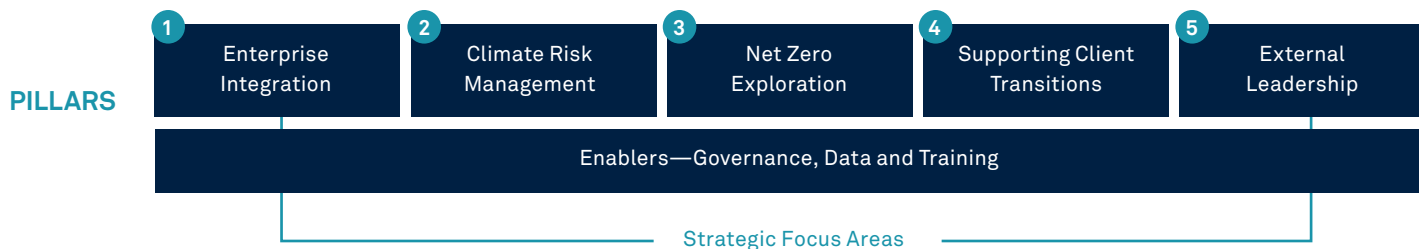
Day-to-day management of climate-related risk is delegated by the Board to management through the Executive Committee and via our Three Lines of Defense (LoD) approach. Local management for subsidiary legal entities, where applicable, replicate these responsibilities for specific consideration aligned to their respective business and risk profiles.

For details on the governance around Climate Risk see the [Climate Risk Management Section](#).

Corporate Climate Strategy

Our corporate climate strategy is based on five pillars and planned alignment with broader organizational goals. The focus on climate strategy within our Enterprise ESG approach helps drive innovation and change throughout the organization and supports

cross-functional collaboration. Additionally, it helps to facilitate a coordinated, central management structure to support the achievement of our climate-related efforts.



Enterprise Integration

We are incorporating climate-related considerations into relative business activities and have begun to put the people and processes in place to manage risks and opportunities in our day-to-day operations. We plan to continue building these processes across key areas of the business, including in various due diligence processes, client service, risk management and employee professional development.

Climate Risk Management

We support the identification and assessment of climate-related physical and transition risks as a driver across all six enterprise risk categories through enhanced global risk frameworks, the Three Lines of Defense risk approach, and risk management policies and processes. See [Climate Risk Management](#).

Net Zero Exploration

We are building capabilities to analyze the greenhouse gas emissions of select business functions and lines of business and exploring new roles BNY Mellon can play to provide our clients with solutions that help them meet their climate-related goals. See [Climate-Related Metrics and Targets](#).

Supporting Clients In Their Transition

We are exploring the development of new products and services that can support customers in transitioning their business to align with a lower-carbon economy by addressing changes in technology, markets and regulation, and facilitating their journeys.

Learn more in [Sustainable Client Solutions](#).

External Leadership

We are working to establish climate leadership through digital enablement and stakeholder engagement to help companies address the climate-related effects on business.

Climate Risk Management

MANAGEMENT APPROACH TO CLIMATE-RELATED RISKS

BNY Mellon continues to consider climate, environmental and other social and governance risks as potential risk drivers of other risk types, including financial risks (such as Credit, Market and Liquidity Risks) and nonfinancial risks (such as Operational and Strategic Risks). We recognize the importance of maintaining a deep understanding of all material risk drivers and vulnerabilities that may exist. We are committed to understanding and addressing all potential internal and external sources of risk.

Our approach to climate risk management, consistent with BNY Mellon’s Enterprise Risk Management Framework, aims to incorporate the following elements:

- Risk identification and materiality assessment
- Financial and nonfinancial risk assessment and management processes
- Risk appetite
- Scenario analysis
- Enterprise resiliency
- Risk mitigation
- Training and education

Our climate-related risk assessment incorporates risks arising from two primary sources, physical risk and transition risk, which are defined as:

Physical Risk. This involves risk from weather-related events, which includes both acute and chronic effects defined as follows:

- Acute Physical Risk – Results from extreme weather and climate-related events, such as storms, flooding, wildfires, heatwaves, droughts and hurricanes, where the likelihood and intensity of such events is increasing.

Acute physical risks may result in damage to physical premises and infrastructure (either of BNY Mellon, our clients or other stakeholders), impact on operations, disruption to service providers, availability of resources and supply chain disruptions.

- Chronic Physical Risk – Includes longer-term shifts in climate patterns, e.g., rising mean temperatures, rising sea level, water stress, degradation or limitations on resource availability, such as labor, natural resources, etc.

Transition Risk. This refers to risks associated with the transition to a low-carbon economy of relevant stakeholders. These will include fiscal policy, legislation, technological development, and investor and consumer sentiment changes that may impact the strategic, financial, legal, operational and reputational risks of the firm.

The transmission channels through which these risk drivers manifest and potentially impact BNY Mellon are influenced by multiple factors, including our business model and commercial offerings, footprint locations, and client, sector, geographic, supply chain and other constituents.

Risk Management Time Horizons

From a risk management perspective, these climate-related risks are currently considered across multiple time horizons that best take account of our risk profile. These time horizons are defined as:

- Short term (1-3 years), risks that are observed to be present now and within the immediate one-year planning horizon
- Medium term (3-10 years)
- Long term (11+ years), to consider if new or different trends could become more impactful as markets change

We recognize that time horizons noted above for the assessment of climate-related risk are shorter than accepted industry standards. The approach taken reflects BNY Mellon’s business model and commercial strategy, in that most term lending is typically less than 10 years in duration; however, risk impacts are assessed across all time horizons.

Regardless of the period of assessment, climate-related risks may manifest differently over the short, medium or long term. Decisions made today can bear climate risks well into the future, hence tools used to manage traditional banking risks, which are typically assessed over a shorter time horizon, may not be sufficient to fully capture longer-term implications of physical and

transitional risks. As a result, we have developed a suite of climate-specific risk assessment tools and processes to enable the identification, assessment and management of climate-related risks that incorporate a longer-term view of risk. The approach to understanding and managing climate-related risks is described in the sections that follow.

REGULATORY LANDSCAPE FOR CONSIDERATION

Climate-related risks are becoming an increasingly common element of regulatory expectations for effective risk management processes globally. BNY Mellon is subject to climate regulations that have been adopted in several jurisdictions across the globe, with other jurisdictions either having proposed or expected to propose requirements in the coming years. Regulations within individual jurisdictions are further supported by guidance and principles provided by many supranational regulatory agencies, including the Basel Committee and the Financial Stability Board, both of which have published principles and guidance supporting design of effective risk management approaches.

While each regulatory or policy-making body has its own specific nuances, the general theme is one of broad consistency, both with one another and with existing guidance on risk management principles for all risks. Fundamental to risk management is a strong foundational process that allows firms to identify, measure, mitigate and manage their risks over time. Key is the design of frameworks that allow firms to adapt to their markets and business models, with a focus on providing clear and consistent approaches for risk-based decision-making.

Incorporating these principles, and with an approach driven by enabling management to understand risk in a manner that supports decision-making, we continued to enhance our risk management framework during 2022, building on the foundations already in place. The updated framework, which will continue to evolve further in the future, now incorporates a full end-to-end risk management approach where metrics and reporting are directly linked to risks identified by lines of business. In support of day-to-day management of climate-related risks, a series of new or updated tools and processes have also been implemented, adding to those already in place as described in our [2021 Enterprise ESG Report](#).

GOVERNANCE AND OVERSIGHT OF CLIMATE-RELATED RISK MANAGEMENT

Climate-related risks are managed through a robust internal risk governance approach. The Senior Risk and Control Committee (SRCC) is the firm's most senior executive risk committee and the ultimate escalation point for climate-related risks. Various first line of defense governance committees and structures are in place to manage climate-related risks, while the Risk Committee of the Board is the Board committee primarily responsible for oversight of climate-related risk management. The SRCC and the Risk Committee of the Board are supported through independent reporting on key risks (including those metrics described in the following sections) by a dedicated ESG Risk and Compliance function and through embedded responsibilities across other risk functions. Additional formal committees and working groups also serve to provide oversight and challenge for various aspects of climate-related risks, including risk assessments for new clients, vendors, products and processes. Quarterly reporting is provided to senior management to support the governance process. In addition, the Business Management and Client Committee (BMCC), an executive-level committee, has a mandate to consider climate risks and approve processes and tools used to understand and manage risks related to climate risk. In support of the BMCC mandate, a dedicated ESG Advisory Council was also established to consider ESG-related issues, risks and opportunities. The ESG Advisory Council brings together experts from various functional areas across BNY Mellon to ensure that ESG issues are considered from relevant, potentially impactful angles.

Learn more about [Enterprise ESG Governance](#)

As with all risk types, BNY Mellon leverages our Three LoD model in the management of all taxonomy risks and their drivers.

The internal audit function operating as the third line of defense considers in its reviews the extent to which the institution is equipped to manage environmental, social and governance risks. Internal Audit reviews the institution's internal control and risk management governance framework, including policies and procedures, by considering external developments and changes in the risk profile and in products and/or business lines, among other things.

CLIMATE RISKS IDENTIFICATION, ASSESSMENT AND MATERIALITY

Leveraging the BNY Mellon risk identification process, our approach is to perform climate-related risk assessments for all lines of business and consider primary potential transition and physical transmission channels. Climate risk assessments were performed through a series of workshops held across all lines of business and considered whether any climate risk-related transmission channels could influence the existing risk profile for that business over the short, medium or long term. These sessions constituted the first iteration of a newly implemented annual risk identifications process. The results of the exercise were summarized in a “heat map” highlighting potential sources of climate-related risks. Outcomes of the assessments did not consider any specific idiosyncratic risk, but rather focused on the identification of risk in a general sense only.

So far, our climate risk assessment exercise has focused on identifying areas for development of the risk management framework and ensuring coverage of all identified risks, regardless of how material the impact may currently be considered to be. Performing the climate risk assessment analysis highlighted several key risk impacts to which BNY Mellon may be vulnerable at different maturity horizons.

Risks identified are assessed both quantitatively and qualitatively to be able to determine if a risk is material. To assess materiality of climate risks, both the metrics described in the following sections and expert judgement are used to determine materiality in the short, medium and long term. Determination of materiality is linked to the Enterprise Materiality Framework wherever possible and applied consistently with other risks. Regardless of whether a risk is deemed material at this stage, all risk types are monitored through reporting and dedicated risk assessment tools to ensure that both aggregate and idiosyncratic risks are understood and mitigated as appropriate.

In most cases, we provide clients with a range of services that facilitate client activities but do not directly provide funding to those activities. As such, balance sheet risks are relatively low in comparison to other banks with long-term lending portfolios or those that engage in extensive traditional corporate or retail banking, or trading activities. Based on the current

assessment of materiality, and considering our relatively low exposure to direct credit or market risk, financial risks are largely immaterial at present. Strategic and reputational risks, while also qualitatively assessed to be immaterial now if assessed on an aggregate basis, are expected to become increasingly relevant such that decisions made today could lead to material impacts in the future. Strategic and reputational risks may also contain tail events that may already be material, but where a lack of historical evidence underestimates potential significance. These risks may primarily relate to, for example, changes in market, client or societal attitudes to our business, external dealings and/or our products. As a result, the primary climate-related risks that are likely to be relevant to us are those that are strategic or reputational in nature. The most relevant climate-related risks identified across all lines of business are as follows:

Transition risks

- Strategic and reputational risk
- Operational Risks:
 - Legal and litigation risk
 - Product and business development risk
 - Outsourcing risk

Physical risks

- Operational Risks:
 - Premises
 - Outsourcing risk

Across consideration of all taxonomy risks that may be impacted by climate-related risk, reputational risk impacts were identified through the risk identification exercise as the most common transmission mechanism that may lead to a risk event. In the context of the BNY Mellon’s operating model, these results are consistent with high-level risk identification exercises produced in prior years.

Given the level of financial risk taken generally, the potential for marginal impacts of climate-related risk on Credit, Market and Liquidity Risks exist, but are generally limited in scope to a narrow range of products and clients. All risk types, regardless of the current level of risk, are reported to BNY Mellon’s SRCC, chaired

by the Chief Risk Officer, and cascaded to the most material legal entities in the company. During 2023, reporting will be further expanded as new data sources become available.

RISK MEASUREMENT FOR KEY RISKS

The development of quantitative tools to understand potential areas of vulnerability supports the first and second lines of defense in developing appropriate reporting and action plans to mitigate identified risks. We have developed mapping to identify sectors generally exposed to high and moderate risks brought about by climate-related risk drivers (both physical and transition). These measurements allow management to focus on lines of business and products that are most likely to impact clients in sectors with elevated risk.

Our risk taxonomy defines key risk areas, which may be driven by a range of market, policy, customer, competitor or individual events or behaviors. Climate-related risk represents one potential source of these events or changes in behaviors that may impact on BNY Mellon. Potential sources of climate-related risks on those risks defined in our risk taxonomy are highlighted in the table below.

Climate-related risk has been incorporated into financial and nonfinancial risks through reporting and processes used to identify risks within new products and processes and for clients. As a risk driver, processes across the company include assessment of potential climate risks, and these are used alongside the assessment of other risks to manage risk at both an individual exposure level and in aggregate.

Risk Assessment Overview					
Risk Type	Description	Physical Climate Risk Examples	Transition Climate Risk Examples	Key Highlights	Key Metrics
Strategic Risk	<p>The risk arising from adverse business decisions, poor implementation of business decisions or lack of responsiveness to changes in the financial industry and operating environment. Strategic and/or business risks may also arise from the acceptance of new businesses, the introduction or modification of products, strategic finance and risk management decisions, business process changes, complex transactions, acquisitions/ divestitures/ joint ventures and major capital expenditures/ investments.</p>	<p>Impact on operational resilience through physical events, in turn impacting ability to deliver on strategic objectives</p>	<p>Adverse publicity from interactions with clients, activities or vendors who themselves attract negative attention</p> <p>Failure to keep pace with changes in client demands for products that incorporate climate-related considerations</p> <p>Inability to attract or retain staff, or impacts on client relationships, due to a failure to maintain a suitable climate-related strategy</p> <p>Ability to deliver on existing strategy and maintain profitability as part of climate transition</p>	<p>Developed Business Model Risk Assessment approach to identify trends and mitigating actions relevant to prevent the risk. The approach also considers broader implications where a failure to develop products aligned to client requirements takes place.</p> <p>Designed Business Model Risk Assessment to highlight key risks relating to potential reputational impacts from interactions with external parties (mostly clients) who are subject to substantial negative press and/or controversies, as well as risks relating to inadequate product development by BNY Mellon to satisfy stakeholder requirements</p> <p>Established Business Appetite Framework new client assessment approach to capture clients most likely to have an impact on, or be impacted by, climate-related transition and physical risks and broader ESG factors</p> <p>Enhanced New Product Approval process to incorporate climate risk considerations</p> <p>Conducted a regular employee survey in Q4 2022 to understand current staff attitudes and expectations on ESG-related actions. We intend to conduct this survey on at least an annual basis to track expectations.</p>	<p>Value of revenue derived from clients in industries with high carbon-weighted intensities</p> <p>Employee satisfaction on BNY Mellon efforts to address ESG topics</p>

Risk Assessment Overview (continued)					
Risk Type	Description	Physical Climate Risk Examples	Transition Climate Risk Examples	Key Highlights	Key Metrics
Operational Risk	The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes compliance and technology risks.	<p>Additional operational losses as a result of increased severity of physical loss events</p> <p>Losses due to resilience implications of physical impacts on internal, inter-affiliate or other third-party failures</p>	<p>Litigation and/or loss of business resulting from a failure to achieve stated objectives, misreporting or fiduciary requirements/expectations</p> <p>Failure to manage or understand regulatory requirements leading to non-compliance with applicable regulation</p> <p>Loss of business due to failure to meet investor and client expectations around climate risk considerations</p> <p>Losses from sudden policy or regulatory changes that impact markets</p>	<p>Operational risk is managed through a series of dedicated processes that incorporate all potential drivers of risk, including climate risk. These processes are leveraged to ensure that risks are appropriately identified, controlled and reported as required.</p> <p>Dedicated compliance regulatory change management process to monitor and implement is in place, tasked with ensuring that legal and regulatory requirements, including emerging climate-related requirements, are known and acted upon</p> <p>The Risk and Control Self-Assessment (RCSA) process and management of operational resilience processes are used to evaluate each of our sites across the globe and the adequacy of business resiliency explicitly considering weather and environmental impacts. Measurement of premises risk uses two key historical loss metrics: the number of observed events that could have led to an operational risk event, and the combined losses for the period due to weather events.</p> <p>Assessment of third parties includes consideration of the physical and reputational risks of the vendor, focusing on the geographical location of vendors, where, for example, data is stored, consideration of the resilience capabilities of the vendor and any recorded resilience-related issues. In addition, the assessment incorporates external ratings that consider reputational and general risks associated with ESG.</p> <p>ESG Framework Policy implemented in March 2021 to help ensure, and verify and demonstrate, that IM firms' products under the broad ESG/Climate heading meet high standards of integrity, transparency and control</p> <p>Further upcoming enhancements include introducing attestation on ESG policy adherence and enhancing marketing materials to align with regulatory scrutiny</p>	<p>Number and dollar value of losses associated with operational risk events recorded due to weather-related causes</p> <p>Number of incidents recorded due to weather-related causes where no loss or impact is recorded but used to provide an indication of trend in noted incidents and hence potential risk, which are reported through enterprise resiliency reporting monthly</p> <p>Percentage of employees located in physical locations identified as being of potentially higher risk</p> <p>Number of third parties with higher risk physical and reputation risks</p>

Risk Assessment Overview (continued)					
Risk Type	Description	Physical Climate Risk Examples	Transition Climate Risk Examples	Key Highlights	Key Metrics
Credit Risk	The risk of loss if any of our borrowers or other counterparties were to default on their obligations to us. Credit risk is present in the majority of our assets, but primarily concentrated in the loan and securities books, as well as foreign exchange and off-balance-sheet exposures, such as lending commitments, letters of credit and securities lending indemnifications.	<p>Key vulnerabilities due to both physical and transition risks may exist in relation to exposures to:</p> <ul style="list-style-type: none"> • Direct credit provision or the purchase of assets issued by corporates operating in industries or geographies vulnerable to structural change or physical risk events • Impacts on collateral valuations due to physical events, or changes in market demands for assets used to support commercial and residential real estate portfolios located entirely in the United States • Holding of corporate bonds within the portfolio of assets held by BNY Mellon whose valuations may be impacted by physical or transitional risks 		<p>Credit Underwriting Submission Procedure and Credit Risk Management Framework Policy updated to include climate risk factors</p> <p>Climate analysis has been added to Credit Underwriting analysis templates in the “Borrower Description” section to embed evaluation of primary credit risks associated with counterparties</p> <p>External data utilized to create assessments of companies, and identify material risks and opportunities for each industry/sector</p>	<p>Value dollar and percentage of in-scope credit portfolio in high and moderate carbon-intensive sectors/geographies</p> <p>Weighted Average Carbon Intensity (WACI) to monitor climate risk-related concentrations in the credit and investment portfolios</p>
Market Risk	The potential loss in value for the BNY Mellon financial portfolio caused by adverse movements in market prices of foreign exchange, fixed income and equity assets, credit spreads, commodities and liabilities accounted for under fair value and equivalent methods	Losses driven by changes in market risk factors from systemic market changes in case of natural disasters or weather events	Losses driven by changes in market risk factors from systemic market changes in case of changes in market perception of future profitability for underlying issuers of positions held on balance sheet by BNY Mellon	To facilitate monitoring of market risk, BNY Mellon makes use of the NGFS scenarios and transposes these into a point-in-time sensitivity. This point-in-time assessment translates the short-term impacts of the most volatile scenario (typically the early policy scenario) into an immediate impact on market risk positions.	Trading book fair value stress loss based on a designated NGFS climate scenario

Risk Assessment Overview (continued)					
Risk Type	Description	Physical Climate Risk Examples	Transition Climate Risk Examples	Key Highlights	Key Metrics
Liquidity Risk	The risk that BNY Mellon cannot meet its cash and collateral obligations at a reasonable cost for both expected and unexpected cash flows, without adversely affecting daily operations or financial conditions. Liquidity risk can arise from cash flow mismatches, market constraints from the inability to convert assets to cash, the inability to raise cash in the markets, deposit run-off or contingent liquidity events.	<p>Changes in value of corporate bonds within the portfolio of assets held by BNY Mellon to support liquidity management whose valuations may be impacted by physical risk events</p> <p>Outflows of cash due to client demands following physical risk events</p>	Changes in value of corporate bonds within the portfolio of assets held by BNY Mellon to support liquidity management whose valuations may be impacted by market changes in perception of value	Climate-related impacts have been assessed as being immaterial in the context of managing overall liquidity risk. Assessment of potential liquidity risks are considered as part of processes supporting risk identification and the development of liquidity stress tests. Assessments of key potential outflows and fair value shocks to the high-quality liquid assets portfolio due to both physical and transition risks are considered over a time horizon consistent with typical liquidity risk scenarios. The results of these scenarios are many orders of magnitude lower than those used for business-as-usual liquidity risk management and hence are not currently considered as part of ongoing liquidity risk management.	Stress impact on liquidity metrics based on a designated NGFS climate scenario

The metrics described above have continued to evidence low overall impacts from climate, relative to other drivers of risk.

For nonfinancial risks:

- In 2022, as in prior years, we experienced a small number (less than 20) of weather-related internally reportable operational risk events. None of these resulted in any material operational losses.
- Based on our ongoing assessment of vendor risk, we have identified a small number of our critical vendors (less than 10%) who provide services from locations that may be subject to higher climate-related risk. Our standard risk management process considers these elevated risks, and based on our materiality assessment, scope of operations, and controls in place around these vendors, we deem our existing due diligence process to be sufficient. We will continue to monitor our vendor population and apply enhanced due diligence and appropriate decision-making as required.

- No climate-related strategic or reputational events that had an observed impact on BNY Mellon’s financial performance occurred during 2022.

For financial risks:

- Credit risk-generating assets in sectors at higher risk of physical and/or transition risks make up less than 5% of total BNY Mellon assets, with Committed Credit Exposures having the highest relative concentration, as of December 31, 2022. Sensitivity analysis on these portfolios, as described in the following section, demonstrated limited financial impacts.
- Market risk point-in-time shock results are reported daily. Since the scenario was implemented, climate related scenario impacts have been within limits and have smaller effects than other scenarios used for risk management.
- Liquidity risk scenarios are estimated as part of the liquidity risk identification process. No scenarios material to liquidity risk have been identified.

SCENARIO ANALYSIS APPROACH

A key component of our climate risk management approach is the ability to identify and assess climate-related risks and opportunities. Although climate scenario analysis at an enterprise level remains in a developmental phase, in 2022, BNY Mellon has further advanced our progress on scenario analysis capabilities and deepened our understanding of climate-related risks through a climate-related sensitivity analysis of the in-scope portfolio at an enterprise level.

This aligns with the increased regulatory supervisory expectations on management of climate-related risk using forward-looking climate scenarios and builds on our work that began in 2021, in running scenario analysis on a regional level at in the European Bank and the UK Bank. The climate-related sensitivity analysis work allowed us to better assess our exposure to climate-related risk across our lending and investment securities book and provided insights that we continue to build on in our climate risk management framework.

Our 2022 climate sensitivity analysis assessed the impacts to the following principal risks: Credit Risk, Operational Risk, Market Risk and Strategic Risk.

A range of climate-related sensitivities has been developed to explore vulnerabilities to physical and transition climate risks and to understand the climate-related impact on each risk type, including potential loss impacts. The sensitivities have been applied to sectors subject to elevated climate-related risks and identified products, processes and businesses.

Initial results of the climate sensitivity assessment demonstrate limited financial impacts at the enterprise level.

Credit Risk

In 2022, BNY Mellon developed severe but plausible sensitivities for the lending and investment securities book, exploring a climate hypothetical scenario based on the NGFS Climate Scenarios (Phase III). The exercise demonstrated limited financial impacts in a range of sensitivities. However, it has highlighted the complexity of climate risk modeling and the need for expansion of existing modeling capabilities to explore longer time horizons.

Operational Risk

We developed a tail event scenario with the purpose of understanding key mitigants and controls with respect to physical and transition risk events.

Market Risk

Climate risk drivers can have an impact on the primary market risks that BNY Mellon is exposed to. To assess the impact, we developed instantaneous shocks for our trading book and seed funding portfolio within Investment Management, using a climate scenario with increased short-term volatility to best reflect the nature of the portfolio.

Strategic Risk

We modeled revenues to reflect changes to the economic environment resulting from climate change, using the NGFS Climate Scenarios and applied sensitivities to revenues from clients with elevated climate risk. Scenario analysis demonstrated that while climate-related risks could potentially amplify other risk drivers, for example resulting in effects such as deficiencies in client service quality or in profitability, or reputational damage, overall BNY Mellon remains resilient to these risks, within the context of the scenarios and sensitivities tested.

SCENARIO ANALYSIS AND STRESS TESTING¹¹

BNY Mellon considers climate-related impacts, including the impact of severe weather events, across different BNY Mellon stress testing processes. This includes our Internal Capital Adequacy Assessment Process (ICAAP) at the UK and EU subsidiary banking entities, and the Comprehensive Capital Analysis and Review (CCAR) scenario design process conducted at the corporate level.

EXPANDED ANALYSES

BNY MELLON EUROPEAN BANK AND UK BANK

While many climate-related impacts are expected to manifest over a multi-decade time horizon, including global, regional and local implications of rising temperatures, some impacts such as natural disasters are expected to manifest over a shorter time horizon.

¹¹ This report contains statements based on hypothetical or severely adverse scenarios and assumptions, and these statements should not necessarily be viewed as being representative of current or actual risk or forecasts of expected risk.

Certain of our subsidiaries conduct climate-related scenario analysis to understand the potential financial impacts of climate-related vulnerabilities, how these vulnerabilities could impact those firms, how these risks may change over time, and what actions could be taken to mitigate these impacts. Within the BNY Mellon global enterprise, we have first conducted such scenario analysis on a regional level at two of our legal entities: BNY Mellon European Bank (the European Bank) and The Bank of New York Mellon (International) Limited (the UK Bank).

As part of the 2022 European Bank and UK Bank ICAAPs, BNY Mellon considered three Network for Greening the Financial System (NGFS) scenarios — Net Zero 2050, Delayed Transition, and Current Policies — given data availability and alignment to regulatory stress tests. Our European Bank and UK Bank enhanced their analysis over the previous year by considering new climate transition pathways with longer duration (30 years), enhancing credit risk and asset valuation assessments, and incorporating other idiosyncratic stresses, predominantly Operational Risk in nature, in the assessment.

Within each scenario, transition paths included macroeconomic impacts with specific industry sector financial impacts (haircuts). The 2022 European Bank and UK Bank ICAAP processes were used to analyze climate-related financial impacts (from both physical and transition climate risks) by assuming static strategic and client behaviors. Additional climate-related impacts were considered through the materialization of operational risks, such as system outages caused by natural disasters in various locations. The 2022 assessments did not highlight material balance sheet vulnerabilities related to climate and continued to indicate our European Bank and UK Bank would have sufficient capital to withstand the four scenarios analyzed, over the 30-year time horizons under each of the scenarios.

CORPORATE-LEVEL CLIMATE HEAT MAPPING

BNY Mellon is focused on identifying and assessing climate-related risks and opportunities. To advance the existing qualitative tools used to identify and report on climate-related risks, BNY Mellon continues to develop our scenario analysis capabilities. Climate scenario analysis is a rapidly evolving area for many companies, including financial institutions, and we expect the

methodology and tools for conducting such analysis to continue improving over time, including as a result of the Federal Reserve Board's pilot climate scenario analysis exercise. At the corporate level, climate scenario analysis looking at the financial impacts on the balance sheet remains in a developmental phase. We expect to continue to advance our capabilities to evolve the methodologies and procedures for our scenario analyses in order to deepen our understanding of climate-related risks.

During 2022, we conducted a sensitivity analysis to assess the quantitative impacts of single-factor movements on specific products, portfolios and key processes at the global consolidated level. A range of climate-related sensitivities were developed in order to explore vulnerabilities to physical and transition climate risks and to understand the climate-related impact on each risk type. The sensitivities were applied to high and moderate carbon-intensive sectors and across identified products, processes and businesses. Key risk types assessed included Credit Risk (predominantly within corporate loans, commercial real estate, corporate bonds, sovereign bonds and seed funding), Market Risk, Operational Risk and Strategic Risk. Initial results of the sensitivity analysis demonstrate limited quantitative financial impacts at the corporate level.

TRAINING AND EDUCATION

To support the implementation of the Climate Risk Framework and embed governance oversight responsibilities, we conducted training sessions across the enterprise and provided education and materials to boards, relevant committees and select teams across all three lines of defense with specific climate risk management obligations. The program outlined the risk management requirements and explained the importance of climate-related risk within business-as-usual activities. Participants were introduced to risk management tools available for identifying, assessing and managing climate-related risks. The training encourages participants to lead by example and set the tone to support a culture that institutionalizes appropriate risk management behavior with respect to climate-related risk. Ongoing training is performed as part of the rollout of new tools and processes to applicable first and second line of defense teams. Training examples include Climate Risk Identification, Business Appetite Framework and Business Model/ Strategic Risk Assessment.

CONTROLS AND MITIGATION

Key processes for managing climate-related risks, based on the known risks and their magnitude from above, include:

Risk Appetite

We have defined climate-related risks as risk drivers impacting the majority of the institution's risks outlined in our Risk Appetite Statement. The Risk Appetite Statement incorporates a dedicated section requiring all staff to consider climate-related risk impacts within ongoing risk assessment across all risk types.

In general, the current approach to setting of risk appetite does not involve the setting of limits and associated thresholds against any risk drivers, including climate risk. As a potential cause of adverse events, a climate-related event could lead to an increase in risk that may increase the chance of a limit breach across any risk category, financial or nonfinancial. On that basis, minimizing risk concentrations and assessing, monitoring and managing risk is key to the framework. As a result, limits are in place at the risk category level and capture the impacts of all risk drivers, including climate.

Policies

BNY Mellon has embedded climate-related risk considerations into relevant corporate policies. Each of these policies establishes a requirement for climate risk to be considered within all applicable risk management processes, which may include those relating to risk identification; risk assessment and quantification (including stress testing); risk-based assessments of clients, counterparties, third-party providers and partners, products, services and businesses; risk mitigation; and risk reporting.

Reporting and Monitoring

BNY Mellon has defined key risk indicators that are used as part of monitoring and management of climate-related risk. A Climate Risk report is produced quarterly and provided to senior management for use in periodic monitoring and management of climate-related risks. This reporting is also compiled for applicable legal entities across BNY Mellon. Reporting considers all metrics as described above and serves as a monitoring tool for management of the aggregate risk profile. The

processes used to monitor and manage these risks are described in the next section.

Due Diligence

In addition to identifying specific climate risk-related vulnerabilities and ongoing monitoring of exposures in these categories, we have also developed several processes that apply enhanced due diligence and governance to activities that may have climate-risk implications.

Third-Party Outsourcing

Given our critical dependencies on third parties, it is necessary to understand how climate-related risks manifest to inform relevant risk owners and identify opportunities to mitigate. Assessment includes a consideration of the physical and reputational risks of the vendor, focusing on the geographical location of vendors. The approach will continue to evolve in 2023, taking into account wider industry and regulatory perspectives, with numerous enhancements planned. These include more targeted due diligence leveraging the ESG focus in the Sourcing Industry Group trade association, enhancing reporting, raising awareness of risks, and supporting the decision-making process through the third-party engagement life cycle.

New Client Assessment

Building on the implications of reported revenue concentration metrics and results of the Business Model Risk Assessment pilot exercises, we have implemented an approach, the Business Appetite Framework, to assess all new client interactions meeting certain criteria. These are focused on negative ESG-related information, association with certain activities assessed to be higher risk, and other assessments, including, for example, client readiness for climate-related transitions. Using external data sources, coupled with internal governance and expertise, the new client ESG-driven assessment approach provides a dedicated screening mechanism for new clients with a view to minimizing potential strategic and reputational risks. The Business Appetite Framework is designed to capture clients most likely to have an impact on, or be impacted by, climate-related transitional and physical risks and broader ESG factors.

New Product and Process Approvals

Effective development of new products and businesses involves a dedicated risk management approach comprising assessment of a range of relevant risks. Within these processes, climate-related risks are specifically considered as part of the development process to ensure that transitional impacts from changes in client or market expectations are factored into the development process. In addition, the Business Model Risk Assessment approach described above considers broader implications where a failure to develop products aligned to client requirements takes place, as well as mitigations relevant to prevent the risk.

Climate-Related Enterprise Resiliency

Our enterprise resiliency strategy, aimed at developing and sustaining the capabilities necessary for maintaining or quickly resuming operations in the face of business disruptions and threats, is a critical component of our overall business strategy. Our Enterprise Resiliency Office aligns, centralizes and integrates our resiliency disciplines and capabilities to deliver a coordinated approach to Incident and Crisis Management, Business Continuity and Disaster Recovery.

As a global institution, BNY Mellon is exposed to unforeseeable and uncontrollable events that could cause varying degrees of disruption to normal business processes. Our Enterprise Resiliency Office maintains a Business Continuity Program focused on designing and building response capabilities to navigate business disruptions. The Business Continuity Program is implemented through an “all-hazards” planning approach with objectives that include minimizing the impact of disruptions and facilitating service continuity within recovery time objectives and based on prioritization of business objectives and operations, regardless of the cause of the disruption. See our [Annual Report 2022](#) for further information on our overall approach to Enterprise Resilience.

BNY Mellon recognizes that climate-related risks increase inherent risk, requiring additional compensating controls and solutions to counter the

increasing frequency and severity of climate-related events that challenge the resiliency of our business. Given our global footprint, we are committed to managing and monitoring potential climate-related impacts as part of our resiliency plans, which help prepare us to maintain business continuity in the face of disruptions. As part of our resiliency planning, we take the following climate-related risks and challenges into consideration:

- Rising sea levels in areas where BNY Mellon has a significant number of employees, such as New York City, London, Houston, Chennai, Hong Kong and Singapore
- Increased frequency and severity of natural disasters, for example, storms, wildfires and droughts, and the subsequent political, economic and government instability associated with these challenges
- Increased stress on public utilities, which is often exacerbated by growing demands, combined with the impacts from storms and natural disasters

BNY Mellon aims to mitigate these additional risks and challenges by implementing various solutions that aim to maintain continuity, such as:

- Exercising cross-regional work shift strategies, in the event of wide-area disruptions, as part of our Business Continuity Planning
- Geographically diversifying our physical locations, including office facilities and data centers
- Hardening our physical locations to better endure physical damage caused by natural disasters
- Maintaining appropriate engagement with government agencies in jurisdictions where we have a physical presence to facilitate timely exchange of relevant notification and other emergency management information

BNY Mellon’s Incident and Crisis Management team, working together with others in our Enterprise Resiliency Office and throughout the organization, regularly monitors for incidents that could result in a disruption, including the climate-related natural disasters highlighted above. This monitoring aims to limit potential impact and disruption by supporting a timely response to, and effective management of, these types of incidents.

FACILITIES MANAGEMENT OPERATIONAL RESPONSE TO CLIMATE-RELATED RISKS

BNY Mellon recognizes that our operational risk exposure is increasing due to disruptive weather patterns and events. Additionally, precipitation and temperature extremes, including floods, fires and storms, prompt companies to ensure that strong management and resiliency plans are in place. Responses to these events have implications for operational stability and, more broadly, the reputation of the industry.

Our enterprise resiliency program addresses physical infrastructure risks through investments in emergency power generation, flood planning, geographically distributed workforce balancing, and backup systems in technology and data centers. We evaluate potential climate-related impacts such as chronic sea level rise, stress on public utilities, weather events, shifting government regulations, and social and economic instability in locations where we operate. Acute physical dimensions including seismic properties, exposure to storms, and 500-year floodplain evaluations (zones that have a one in 500, or 0.2% chance of experiencing a flood occurrence in a given year) are assessed as potential risks that should be mitigated and are addressed as necessary.

BNY Mellon incorporates climate risk management strategies into our operational controls. For example:

- At BNY Mellon's Corporate Headquarters in New York City, a flood resiliency project included hydro barrier installation planning, the elevation and relocation of electrical systems, and the installation of additional pumping equipment
- Backup power generation is considered and installed at various locations
- Our data centers are sited to minimize climate-related risks and proximity to other potential physical risks

Because climate-related operational implications of climate change are evolving, we continuously evaluate potential emerging impacts and develop corresponding appropriate actions. In 2021, BNY Mellon took two key steps in support of this.

BNY Mellon has conducted a detailed climate risk and resiliency assessment of our real estate portfolio in both its current and future states. This study has identified potential vulnerabilities within our physical real estate portfolio that could impact business continuity and impose costs on BNY Mellon. Vulnerabilities to extreme weather events have been recently observed. As a result of this assessment, we have initiated steps to increase resiliency and address vulnerabilities at the identified locations.

Additionally, we will continue to review and update relevant internal policies as necessary to address potential risk assessment findings, for example, those related to the construction of new spaces, specific geographic analysis approaches, backup power generation systems, flood hardening and existing equipment maintenance procedures.

Climate-Related Metrics and Targets Metrics

At BNY Mellon, we believe that an important component of managing our climate-related risks and opportunities is to measure and monitor our performance. Accordingly, we use several climate-related metrics and targets to manage our performance against our corporate climate strategy, including our efforts to reduce emissions from our operations, increase energy efficiency and maintain carbon neutrality on an annual basis. The table below shows our progress to date against our target to reduce Scope 1 and Scope 2 GHG emissions by 20% by 2025. As we continue to develop our climate capabilities, we plan to further assess the climate-related metrics and targets that we currently use to monitor our progress.

Please see the [Environmental Sustainability](#) section for a description of the actions we are taking to reduce our Scope 1 and Scope 2 emissions and promote more sustainable practices in our day-to-day operations.

Electricity Consumption Megawatt Hours (MWH) for 2022	
Electricity Consumption MWH	237,217
Purchased Renewable Energy Certificates (RECs), Guarantees of Origin (GOs) and other renewable electricity instruments in MWH applied to Scope 2 Emissions from Purchased Electricity	243,230
BNY Mellon Entity-Wide GHG Emissions for 2022	
Scope 1 Emissions - Metric Tonnes (mt) of CO ₂ equivalent (CO ₂ e)	7,520
Scope 2 Emissions – Location Based mt CO ₂ e	94,371
Scope 2 Emissions – Market Based mt CO ₂ e (purchased steam emissions and electricity emissions not covered by renewable electricity instruments)	1,450
Scope 3 Emissions – Category 6 Business Travel mt CO ₂ e	6,450
Total Scope 1 + Scope 2 Market Based + Scope 3 Business Travel mt CO₂e	15,420
GHG Emission Offsets and Net Emissions for 2022	
Purchased GHG Emission Offsets mt CO ₂ e	16,200
Net Emissions CO₂e (Scope 1 + Scope 2 Market Based + Scope 3) - Purchased GHG Emission Offsets	0

Independent Verification

BNY Mellon engaged Apex Companies, LLC, an independent, third-party organization to verify our Scope 1, Scope 2 and Scope 3, Category 6 (business travel) emissions and renewable energy purchases at a limited assurance level (see the full [Verification Statement](#)). The verification of our emissions lends transparency and confidence in our methodology and enhances our ability to track energy-efficiency opportunities.

TARGETS

Our current climate-related targets include:

1. Reduce Scope 1 and Scope 2 GHG emissions by 20% from a 2018 base year, including data centers, using methodology developed by the Science Based Targets initiative (SBTi)
2. Maintain carbon neutrality commitment

Learn more about our progress and methodology as well as our broader [Environmental Sustainability goals](#), which address waste diversion, paper neutrality and water use reduction.

ENVIRONMENTAL SUSTAINABILITY

Environmental Sustainability is a complex challenge the world faces. According to the World Economic Forum (WEF), climate action failure, extreme weather events, and biodiversity loss and ecosystem collapse are the top three of the 10 leading global risks over the next 10 years.¹² These problems pose threats to human health, economic stability, the global ecosystem and the financial markets. On the other hand, WEF suggests that moving toward nature-positive models can create \$10.1 trillion in annual business value and could create 395 million jobs by 2030. Investors, employees and broader society expect the business community and, specifically, financial institutions, to manage these threats and participate in climate-related value creation.

Our Opportunity and Approach

BNY Mellon’s commitment to environmental sustainability challenges us to set goals and take action to address environmental and climate-related issues. Our approach to sustainability focuses on the efficient management of our global operations and commercial real estate portfolio.

The scope of our efforts, guiding principles and commitments are outlined in our [Environmental Sustainability Policy Statement](#). Learn about our commitment to climate action in [Managing Climate-Related Impacts](#).

2022 ACHIEVEMENTS

Carbon Neutral: Achieved carbon neutrality in our operations for the eighth consecutive year.*

Global Paper Neutrality: Achieved paper neutrality in our operations globally in 2022 via PrintReleaf, a certified offset program, building on five years of paper neutrality in the U.S. and India.

Climate Leader: Achieved an A- score on CDP’s Climate Change questionnaire.

Sustainable Buildings: Achieved LEED Platinum certification for our Chennai, India, campus, and anticipate achieving LEED Gold in early 2023 for our UK headquarters building in London and BREEAM Excellent in our EU headquarters in Brussels, Belgium.

* For Scope 1 and Scope 2 GHG emissions, including our data centers, as well as Scope 3 business travel emissions through the use of renewable energy and carbon offsets.

¹² [Global Risks Report 2022](#), World Economic Forum.

2025 Environmental Sustainability Goals

We set operational sustainability performance targets in 2019 with a target end date of 2025, and we are on track to achieve or exceed those targets. We have done so by investing heavily in our physical infrastructure, adopting operational best practices and developing new employee-led initiatives. As the focus on reducing global GHG emissions increases, we continue to explore the potential for developing more aggressive and longer-term targets. We believe we have an important and unique opportunity to lead progress within this dimension.

Enterprise ESG 2025 Environmental Sustainability Goals	
Goal: Maintain commitment to environmental sustainability, including effectively managing natural resource use	
KPI: Reduce Scope 1 and Scope 2 GHG emissions by 20% from a 2018 base year, including data centers, utilizing methodology developed by Science-Based Targets initiative (SBTi)	Progress: Decreased Scope 1 and 2 emissions by 32% relative to 2018 baseline
KPI: Maintain carbon neutrality commitment*	Progress: Achieved carbon neutrality*
KPI: Divert 80% of office waste from landfills	Progress: Achieved a 72% waste diversion rate
KPI: Target zero waste to landfills for technology equipment	Progress: Zero technology waste sent to landfills
KPI: Achieve paper neutrality across our operations (through the use of offsets)**	Progress: Expanded the scope of our paper neutrality commitment from U.S. and India to a global commitment. Achieved paper neutrality and adopted a paper-free office concept
KPI: Drive water use reduction in building operations	Progress: Reduced water use by 49% relative to 2015 baseline

* For Scope 1 and Scope 2 GHG emissions, including our data centers, as well as Scope 3 business travel emissions through the use of renewable energy and carbon offsets.

** KPI has been updated to reflect current global reach of initiative.

Emissions Reduction

During 2022, we advanced many initiatives aimed at minimizing resource use, reducing our emissions and operating more efficiently. We remain on track to meet our Scope 1 and Scope 2 GHG emissions reduction target of 20% by 2025, including data centers, relative to a 2018 base year. In 2022, we experienced a small uptick in emissions over the previous year as employees returned to our offices and several local utility grids became more carbon intensive. Reductions in our Scope 1 and 2 emissions are the result of changes in our real estate footprint, changes in electricity grid emissions intensity and operational energy-efficiency projects. Energy-related upgrades, such as investments into real-time energy meters and software, building controls, high-efficiency heating and air conditioning systems, and solar panel installations, have and will continue to further reduce our emissions.

REAL ESTATE AND WORKSPACES

Commercial real estate makes up a large share of our operational footprint and consequently our Scope 1 and 2 emissions as well. Investing in our infrastructure represents an opportunity to improve our environmental impact and enable a working environment that is more productive and collaborative and supports client needs. During 2020 and 2021, the Real Estate team performed a climate risk and scenario-based resiliency assessment of our real estate portfolio. This study identified emerging climate risks, in particular those related to our physical infrastructure, which will help to inform future infrastructure considerations in new and existing spaces. For example, we have added a resilience section to our due diligence review process for evaluating potential new office space.

In addition to making targeted investments in energy efficiency measures, we also consider the more holistic view of green building certifications, the criteria for which weigh various dimensions of design beyond resource efficiency. We consider the development of new buildings and major renovations as an opportune time to make investments that advance sustainability.

During 2022, we made significant progress and/or completed major moves and site renovations in several locations. In London, we anticipate achieving LEED Gold certification for that facility in early 2023. In Brussels, we completed a move and anticipate certification to BREEAM Excellent in 2023.

2022 KEY DATA

REAL ESTATE AND WORKSPACES

We utilize third-party green building certification frameworks, including the U.S. Green Building Council's LEED (Leadership in Energy & Environmental Design) certification, the U.S. EPA's ENERGY STAR® program and international standards such as ISO 14001, to guide our office designs and environmental programs.

Occupied real estate by square foot with third-party sustainability certification: 45%

ISO 14001-certified facilities: 88% in EMEA region

2022 KEY DATA

ENERGY CONSUMPTION*

Total fuel consumption: 116,060 gigajoules (includes natural gas, fuel oil, car gasoline and jet fuel)

Total electricity consumption: 853,981 gigajoules (BNY Mellon purchases renewable electricity products to offset our entire electricity use)

Total steam consumption: 31,658 gigajoules

Total energy consumption: 1,001,700 gigajoules

ENERGY INTENSITY

Energy intensity ratio: 61.17 gigajoules per million dollars; 0.10 gigajoules per square foot

Denominators: 2022 revenue (16,377 million dollars); 2022 average rentable square feet of real estate portfolio (9,658,583 sq. ft.)

REDUCTION OF ENERGY CONSUMPTION**

Total reduction: -609 gigajoules.

* BNY Mellon follows The Corporate Standard Greenhouse Gas Protocol for calculating emissions and energy use. An Operational Control boundary is used. Conversions for Fuel and Electricity were done with the U.S. Energy Information Administration's Energy Conversion Calculator. Steam was converted from BTU to joules using the factor: 1 BTU=1055.05585 joules as defined by the International Energy Agency's Unit Converter.

**Fuel, electricity and steam are included; BNY Mellon does not consume additional sources of heating and cooling. BNY Mellon's energy reduction was calculated by subtracting 2022 energy consumption from the 2021 energy consumption. This reduction is the result of ongoing real estate portfolio optimization initiatives and specific energy reduction projects. BNY Mellon sets its energy reduction targets in the form of emission reduction targets as these are a surrogate for energy targets. BNY Mellon calculates its total energy consumption in conjunction with calculating its greenhouse gas inventory. Therefore, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) is the published methodology and standard used in energy and emission calculation.

SPOTLIGHT

A WATER WISE, HEALTHY BUILDING

In our regional headquarters location in Chennai, India, we achieved LEED Platinum certification of a new site consolidation and large-scale fit-out. Through design, construction and operations practices that improve environmental and human health, our LEED-certified building is helping to make the world more sustainable.

Recognizing that Chennai faces severe water shortages, we made investments in features that save over 70% of water relative to baseline in part due to a recycling plant that treats and reuses water for secondary purposes such as sanitation. The project also invested in advanced energy metering that helps operators better understand trends in use. The selection of efficient lighting and HVAC equipment saved energy, and

environmentally friendly CFC- and HCFC-free refrigerants were selected. The site uses 100% renewable energy, a large portion of construction-related waste was diverted from landfills, and thoughtful materials uses were considered to minimize corresponding emissions.

The building lobby features a large living green wall covered in plants, and a vertical campus concept creates an open atmosphere that is easy to traverse and fosters interaction and collaboration. Indoor air quality is improved through the use of low-VOC material finishes and by providing occupants more fresh air than typical. Additionally, the complex is well integrated into the local transportation network, including close proximity to bus stops with numerous routes in the surrounding city to encourage the use of public transit and walking. Chennai, as well as our other India locations, utilizes an EV fleet to offer an additional green transit option.



CARBON NEUTRALITY

In 2022, for the eighth year in a row, we maintained carbon neutrality. To BNY Mellon, carbon neutrality means bringing all emissions within our global direct Scope 1, indirect Scope 2 and Scope 3 business travel emissions to zero through a combination of real emissions reductions, renewable energy and carbon offsets. More specifically, we achieved this through a three-part approach:

1. Reducing our energy use and related GHG emissions through energy-efficiency investments.
2. Procuring renewable electricity through Renewable Energy Certificates (RECs) in markets as close to the point of use as possible. In 2022, 100% of electricity used to power our global locations, including data centers, was backed by renewable sources, generally through the use of RECs — accepted market-based legal instruments that convey the environmental attributes of renewable energy generation and use.
3. Purchasing carbon offsets to compensate for any remaining emissions in our footprint. For operational emissions that cannot be eliminated through energy efficiency and renewable electricity, we purchase carbon offsets through clean energy financing and carbon sequestration initiatives.

DATA CENTER EMISSIONS

Given the increasing digital nature of our operations and services, data centers account for approximately 45% of the electricity used globally. As a critical component of our strategy, we continue our efforts to reduce data center-related energy use. In our daily management of the enterprise data centers, the power usage effectiveness (PUE) is continuously monitored to confirm that each facility is operating efficiently. During 2022, we updated data center lighting systems and continued on a program to replace 100% of the cooling systems at our largest data center with units that are 15% more efficient.

A CDP CLIMATE CHANGE LEADER

BNY Mellon received an A- score on CDP's Climate Change 2022 questionnaire. While we are proud of our achievements, we recognize that we have work to do. We have identified areas of opportunity and are working to inform our strategy and achieve progress in many climate-related dimensions related to our Enterprise ESG goals.

Waste Management

In light of the growing environmental impacts related to the accumulation of waste in landfills and the corresponding release of methane, we look for ways to continually improve our waste diversion rates. Our approach includes recycling, composting, employee education, and thoughtful receptacle layout designs and signage. To facilitate improvement, in 2022 we transitioned to a new waste hauler that is providing us with better data and fresh insights regarding our internal waste practices at some of our primary locations in North America through comprehensive waste audits and reviews. We expect this partnership will help us design a waste system rooted in sustainability and enable us to deliver on our 2025 waste diversion goal. In addition, we developed a new policy to improve the donation and responsible disposal of decommissioned office furniture, launched a new composting program at our global headquarters location, and increased diversion to waste-to-energy facilities. Finally, we developed new in-office waste signage standards to improve employee support for recycling and waste management. In 2022, we recycled or properly disposed of 195 tons of technology equipment, which represents 100% of e-waste, and achieved a landfill diversion rate of 72%.

2022 KEY DATA

WASTE GENERATED

Total weight of waste: 8,492,448 pounds

Waste diverted from disposal*

Recycling: 5,084,432 pounds

Composting: 95,788 pounds

Waste directed to disposal*

Incineration (mass burn): 932,401 pounds

Landfill: 2,379,827 pounds

* Waste was handled by the waste hauler contractor. Waste data is provided to facility manager regarding frequency of pickup, quantity of pickup and fate of waste.

Managing Printing and Paper Use

For the second consecutive year, we achieved paper neutrality in our operations globally by offsetting all paper use across our entire enterprise through reforestation. Through an engagement with PrintReleaf, a certified global reforestation program, over 100,000 trees have been planted to date on behalf of BNY Mellon. This is underpinned by an exception-only print policy. The movement toward digitization has led to other benefits, including the decreased use of printers, ink cartridges and energy.

Water Conservation

BNY Mellon withdraws all of its water from municipal sources. Water is consumed in our office and data center facilities. Water is discharged through municipal sewer sources. Water-related impacts are assessed and addressed on a local site basis and from a corporate-wide basis.

We decreased water consumption by 49% in 2022 relative to a 2015 baseline. We achieved sustained reductions in water consumption through efficient irrigation systems and the selection of high-efficiency fixtures in new spaces and by closely monitoring our water-using mechanical equipment. In recent LEED-certified building renovations for example, significant savings have been achieved with high-efficiency fixtures and water reuse systems. In our LEED Platinum certified renovation in Chennai, we achieved a significant water savings in part due to a recycling plant that reuses recycled water to flush toilets.

2022 KEY DATA

WATER WITHDRAWAL*

Water withdrawal in the U.S.: 141.9 megaliters

Water withdrawals in international locations: 87.2 megaliters

Total water withdrawal: 229.1 megaliters

* BNY Mellon withdraws all of its water from municipal sources. All water withdrawals are freshwater. Facility Managers account for all water withdrawn from sources based upon water bills and report to Sustainability team for data collection.

Employees Taking Action

Across our organization in 2022, membership in our global network of Environmental Sustainability Ambassadors (ESA) quadrupled to more than 1,000 employees. These motivated sustainability volunteers gather in chapters across the globe to use their energy, enthusiasm and expertise to amplify global, company-wide efforts at the local level. Their work supports our Enterprise ESG goals in tangible ways as they engage fellow employees and community members in initiatives to support the environment, including a global tree planting effort, recycling and combating plastic waste, among others. Learn more in [Sustainability Ambassadors](#)

Preserving Biodiversity

The growing need to address dangerous levels of biodiversity loss globally was a top concern of participants at the UN Conference on Biological Diversity (COP15) in 2022.¹³ At the end of the conference, participants reached a historic agreement, the Global Biodiversity Framework, whereby almost 200 countries committed to conserving 30% of land and 30% of coastlines by 2030. According to the [World Economic Forum](#), nature is the foundation of the global economy. Over half the world's total GDP — \$44 trillion of economic value generation — is moderately or highly

dependent on nature. Yet, the economic system has not effectively factored nature into financial and business decisions.

VALUING NATURE

BNY Mellon supports the work of the Taskforce on Nature-related Financial Disclosures (TNFD) and, in 2022 became a member of the [TNFD Forum](#). Through this forum, we have joined with over 900 organizations to contribute to the creation of a framework for managing and disclosing nature-related risks and opportunities. BNY Mellon looks forward to providing technical expertise and practical market experience to help the TNFD build such a framework to effectively value nature. Importantly, we joined the TNFD Forum to jumpstart our own assessment of nature-related dependencies, impacts, risks and opportunities.

SUPPORTING THE BLUE ECONOMY

Oceans are essential to a healthy economy and healthy planet. The oceans represent the seventh largest economy,¹⁴ provide over half the world's oxygen¹⁵ and are the world's largest carbon sink. The UN's Sustainable Development Goal (SDG) 14 — Life below water remains the [least funded](#).¹⁶

Since 2018, The Nature Conservancy has been conducting an innovative program called *Blue Bonds for Ocean Conservation* that supports island and coastal nations to refinance their sovereign debt and create long-term sustainable financing for marine protection and conservation. As part of this program, endowments are established to help provide long-term funding at scale for things such as marine resource protection, coral reef and mangrove restoration, eco-tourism and sustainable fisheries. BNY Mellon is proud to manage the endowments for these programs in both Belize and Barbados.

At BNY Mellon, we believe that innovative blue finance initiatives like this are effective tools to address the triple threat of climate change, biodiversity loss and debt crisis at scale. In the case of Belize, The Nature Conservancy estimates that the savings achieved in the refinancing will allow Belize to create an estimated \$180 million in conservation funding over 20 years.

Natural capital bonds are the focus of research conducted by our investment management boutique, Insight. Their research notes that natural capital risk, including biodiversity loss, is overlooked as investment risks, demonstrates how these risks can be assessed and presents a framework for natural capital bonds.

[Learn more.](#)

FUTURE LEADERS FOR NATURE

Elevating the consideration of nature in the financial industry, BNY Mellon catalyzed the creation of a group of future leaders from across the financial sector. This newly created Cross Industry Taskforce for Biodiversity assembles 150 Future Leaders and Senior Sponsors from 26 firms across the financial industry who gathered for the inaugural event at BNY Mellon offices in London. The event featured a panel discussion with Hani Kablawi, Chairman of BNY Mellon International, and a keynote from Doug Gurr, Chair of the Natural History Museum in London.

It was the strength in diversity — of people and ideas in the room — that enabled meaningful dissemination and generation of knowledge on the topic of biodiversity.

EMPLOYEE ACTION

As BNY Mellon employees become more conscious of biodiversity and climate issues, our ESA groups are taking action to protect natural spaces and ecosystems. In addition to leading volunteering initiatives, ESA ambassadors hosted learning sessions and developed recap materials following COP27 and COP15 meetings to highlight the relevance to BNY Mellon.

PROTECTING POLLINATORS

BNY Mellon also plays a role in protecting a small but impactful part of our ecosystem by keeping 14 honeybee hives housing approximately 700,000 bees at five U.S. locations. These efforts are especially critical given that the U.S. loses nearly one-half of all beehives every year. By hosting these hives and empowering our employees to protect honeybee populations, we help to preserve pollinators that play a vital role in agriculture, food security and overall biodiversity.

¹⁴ [Reviving the Ocean Economy](#), World Wildlife Foundation, 2015.

¹⁵ [With Every Breath You Take, Thank the Ocean](#), Smithsonian, 2017.

¹⁶ [Accelerating Investments in SDG 14 and the Sustainable Blue Economy](#), United Nations Department of Economic and Social Affairs, 2022.

PROTECTING HUMAN RIGHTS

Our Opportunity and Approach

We consider human dignity paramount, and we work to preserve and champion human rights throughout our company, our supply chain and broader society. We require, as per the BNY Mellon Code of Conduct, that all employees be treated with fairness, dignity and respect at work. We are committed to preserving human rights by instituting policies that help prevent modern slavery and human trafficking in our operations and supply chain. These values help define our company, and we reinforce them through policies governing our supply chain and employment practices:

[Australia Modern Slavery Act Annual Transparency Statement](#)

[BNY Mellon Code of Conduct](#)

[Drug- and Alcohol-free Workplace policy](#)

[Equal Employment Opportunity/Affirmative Action \(EEO/AA\) policy](#)

[Gender Equality Statement](#)

[Health and Safety Statement](#)

[Human Rights Statement](#)

[Notice of Affirmative Action Programs and Notice to Veterans and Individuals with Disabilities](#)

[Sexual and Other Discriminatory Harassment policy](#)

[Supplier Code of Conduct](#)

[UK Modern Slavery Act Annual Transparency Statement](#)

What Guides Us

When determining our approach to respecting human rights, we look to leading international standards, such as the UN Universal Declaration of Human Rights, International Labor Organization (ILO) Core Conventions and the UN Guiding Principles on Business and Human Rights. We are further guided by our participation as a signatory to the UNGC.

Informed by these global principles, the BNY Mellon Human Rights Statement demonstrates a commitment to human rights that is embedded in the culture and values that define our company. This commitment is also reflected in our policies and actions toward our employees, suppliers, clients and the communities and countries where we do business and throughout our value chain. This statement was updated in February 2022. Our expanded statement clarifies its scope with direct links to the UK and Australia Modern Slavery Acts, includes a dedicated governance structure section, and acknowledges the influence of international standards.

This updated statement, the company's Employee and Supplier Codes of Conduct, governance framework, core values and other related corporate policies encompass the foundational principles that drive our commitment and efforts to safeguard human rights. Together, these tools empower our employees and contractors to report and escalate concerns of unethical conduct, such as corruption, discrimination, harassment, child labor, prison labor, forced labor or slavery in any form.

Enterprise ESG 2025 Human Rights Goal	
Goal: Continue the commitment to preventing modern slavery and human trafficking in our operations, supply chain and communities	
KPI: Conduct due diligence and training practices to promote understanding of Modern Slavery Act principles	Progress: Completed annual training requirement on modern slavery and human trafficking for procurement employees and select stakeholders within Legal, and Risk and Compliance

Modern Slavery

We are committed to preventing acts of modern slavery and human trafficking both in our own business activities and throughout our supply chain. Our Supplier Code of Conduct evidences this commitment. We expect our suppliers to be committed to act ethically and with integrity in all their business dealings and relationships and to implement and enforce effective systems and controls that prevent modern slavery from taking place in their businesses and supply chains.

We reaffirm our commitment and actions each year through our UK Modern Slavery Act Annual Transparency Statement and Australia Modern Slavery Act Annual Transparency Statement, which reflect our awareness of modern slavery and the steps we take to prevent it. We continue to review internal governance, due diligence and training practices to promote an understanding of Modern Slavery Act principles. We set out our expectations and commitments in a number of policies, including those listed in [Our Opportunity and Approach](#).

We are committed to preserving human rights in our own workplace and supply chain. Through our philanthropic and pro bono work, we also look for ways to contribute to solutions throughout the world and to serve as a positive influence for the protection of human rights.

Pro Bono Programs

Our talented people embrace the opportunity to dedicate their time and talents by connecting with a greater purpose.

BNY Mellon's Signature Pro Bono and Legal Pro Bono programs capitalize on our greatest resource — our people. In addition to the skills of our legal professionals, these programs leverage our employees' expertise in areas such as technology, human resources and communications. Through these programs, our people provide assistance to low-income individuals and under-resourced organizations while applying their skills in a new context and developing them as a result. Each year, the majority of our Pro Bono programs support and advance human rights for disadvantaged populations. Employees donate their services throughout the year and programs such as the Pro Bono Accelerator provide an opportunity for concerted collaboration across our entire enterprise.

In 2022, we expanded the impact of our well-established Legal Pro Bono program by creating more opportunities for non-lawyers and partnering with E/BRGs and our DEI team. Together, our volunteers addressed a variety of issues, as described in these examples below.

ASSISTING IMMIGRANTS AND REFUGEES GLOBALLY

- Published *Migrants and Custody Hearings* — an important guide that explains to migrant and refugee detainees in Brazil their rights — with a contribution from Brazilian Federal Supreme Court Justice Ricardo Lewandowski, along with Instituto Pro Bono, the Cyrus Vance Center for International Justice and Mayer Brown LLP
- Teamed with our employee groups and Catholic Charities to assist immigrants in removal proceedings with asylum applications in recognition of World Refugee Day and Hispanic Heritage Month
- Provided full representation for Afghan refugees in the U.S., including accompanying clients to interviews, in connection with Human Rights First and Morgan, Lewis & Bockius LLP
- Provided strategic advising in Human Resources to Human Rights First, helping the organization to develop a career framework to support staff development and revamp its employee handbook

RACIAL JUSTICE

- Provided legal advice and assistance to vulnerable domestic workers in Hong Kong in partnership with the nonprofit HELP for Domestic Workers
- Researched local laws in the APAC region on youth interaction with police and helped youth obtain needed IDs as part of a global Pro Bono Day of Action with Baker McKenzie
- Worked with Byte Back, a Washington, D.C.-based nonprofit focused on closing the digital divide, and provided our marketing expertise to support the organization's expansion to three new sites
- Provided technology engineering advice to Equal Justice USA, a national organization working to improve the justice system, on its IT management strategy and data security
- Provided expert consulting on technology and data security to grantee Vibrant Pittsburgh, which is helping to build a more diverse and inclusive workforce in the region

TAKING ACTION AGAINST INEQUITY

- Prepared conservatorship petitions and provided technical assistance to ensure uninterrupted care for families with adult children with severe developmental disabilities or parents unable to care for themselves, in partnership with the Bet Tzedek legal services organization
- Helped low-income transgender people legally change their names to match their legal identities with their lived experience through the Name Change Project of the Transgender Legal Defense and Education Fund
- Drafted accessible guides to state lobbying regulations for small advocacy groups in cooperation with The Democracy Capacity Project
- Assisted grantee Hudson Pride Center, leveraging Human Resources experts, with the development of critical staff policies and procedures, supporting the center's mission to serve the needs of the area's LGBTQ+ residents
- Collaborated with grantee StartOut, a nonprofit that supports LGBTQ+ entrepreneurs, on a small-business-focused Pro Bono Accelerator Program, bringing together employees from Marketing and Technology to advise high-potential startups

SUPPLY CHAIN

Our Opportunity and Approach

BNY Mellon relies on a broad network of suppliers for a variety of products and services to support our company and successfully deliver products and services to our clients globally. The development of sound supplier relationships can help BNY Mellon continue to improve our performance and market position and uphold our responsibilities to the market and our clients.

By harnessing the power of our purchasing influence, we also seek to cultivate a diverse, responsible supply chain that helps people and communities reach their full potential. Our Supplier Diversity program includes suppliers across minority, women and other diverse groups. We strive to conduct our business with the highest ethical standards, manage social and environmental issues responsibly, manage risks and safeguard human rights in our supply chain.

Enterprise ESG 2025 Supplier Diversity Goal	
<p>Goal: Build a Supplier Diversity program that has longevity, consistent with BNY Mellon’s value proposition and diversity initiatives</p>	
<p>KPI: Refine program resources to improve program processes and increase efficiencies</p>	<p>Progress: Implemented new software tool to provide sourcing managers a directory of diverse suppliers and a registration portal for supplier registration</p>
<p>KPI: Implement a companywide sustainable training program on supplier diversity</p>	<p>Progress: Continued to promote inclusion of diverse suppliers in sourcing opportunities by conducting training and providing tools and resources. Training was provided to sourcing managers, lines of business and client facing colleagues to assist with RFP responses.</p>
<p>KPI: Increase outreach with diverse suppliers through development and education experiences</p>	<p>Progress: Continued with our Supplier Diversity Mentoring program to assist mentees with their development and capacity goals</p> <p>Continued to design initiatives to facilitate an increase in spend with existing diverse suppliers</p> <p>Continued to support external advocacy organizations and make meaningful connections with diverse suppliers by participating in outreach events</p>

Supplier Responsibility

Our [Supplier Code of Conduct](#) articulates our expectations related to worker health and safety, labor and human rights, environmental sustainability, diversity and inclusion, ethics, community commitment, conflicts of interest and other responsible business practices. We set high standards for ourselves in these areas and expect our suppliers to meet similar standards of excellence.

We require our suppliers to understand and act in accordance with this Code, including by aligning their corresponding guidelines, policies and practices with our Supplier Code requirements throughout their organization and across their own supply chains. Any violations of our Supplier Code of Conduct can be reported through our confidential [Ethics Help Line](#).

Supplier Diversity

Developing a global supply chain that encompasses small and diverse suppliers not only brings valuable perspectives to our company, but it is also an important part of our corporate strategy and helps advance our Enterprise ESG goals. We seek to do business with best-in-class, cost-competitive and innovative diverse suppliers and small businesses.

The Global Head of Supplier Diversity has oversight of the Supplier Diversity program, which is designed to provide opportunities for businesses owned and operated by minorities, women, veterans, individuals with disabilities and LGBTQ+ individuals, as well as small businesses. Our Supplier Code of Conduct outlines our approach and expectations that our direct suppliers will include small and diverse-owned business in their own supply chain, and we may ask them to report their second-tier spend with these suppliers.

Our executive leadership supports our efforts to promote the economic growth and development of small and diverse-owned businesses. BNY Mellon's leadership provides budget, resources and tools to advance supplier diversity at BNY Mellon and the diverse business community. In addition, our Chief Administrative Officer, the Head of Enterprise Change, Resiliency and Sourcing Office, and our Strategic Sourcing and Contracting Directors review and

discuss annual goals and program updates and offer recommendations for program improvements. Under the direction of the Global Head of Supplier Diversity, the Supplier Development Committee is composed of up to five line of business representatives who assist with program development and strategies to help suppliers better position themselves to meet BNY Mellon's sourcing requirements. Our Facilitate, Advocate, and Contract (FAC) program drives spending with a targeted diverse group to bring to parity with other diverse groups and has helped to increase spend with Black-owned firms. Collaboration with our lines of business and corporate functions helps increase spend in nontraditional professional services, such as broker/dealers, asset management firms and legal firms.

To support the development and inclusion of diverse suppliers, we host workshops to educate and offer transparency into our procurement process and supplier engagement protocols. To increase small and diverse-owned business capabilities, BNY Mellon colleagues provide guidance and feedback to participants through our Supplier Diversity Mentoring program. Our mentoring program has helped our diverse suppliers develop their capabilities, learn more about our organization and become more competitive in the marketplace.

OUTREACH AND EXTERNAL ADVOCACY RELATIONSHIPS

We are members of many advocacy organizations, including the Financial Services Roundtable for Supplier Diversity, National Minority Supplier Development Council, New York & New Jersey Minority Supplier Development Council, WEConnect International, Women's Business Enterprise National Council and Women's Business Enterprise Council – Metro New York. Our participation magnifies our outreach and demonstrates our commitment to working with diverse vendors. Engagement with local and diverse suppliers can benefit our business as well as local communities through job creation, and revenue and income generation. We regularly host events to advise current and potential diverse vendors on how to do business with BNY Mellon.

Third-Party Governance

The disruptions caused by the global pandemic, as well as natural disasters and other systemic shocks, emphasize the importance of a robust and resilient ecosystem of external vendors and BNY Mellon internal service provider entities. To help facilitate business continuity, BNY Mellon management consistently monitors and manages the ecosystem of third parties with the goal of maintaining a resilient supply chain. BNY Mellon has an established Third-Party Governance program designed to:

- Provide oversight and controls commensurate with the level of risk and complexity of third-party engagements with heightened focus on critical activities
- Incorporate the risk of material fourth-party exposure
- Meet evolving legal and regulatory requirements as well as stakeholder expectations on ESG issues

At the same time, we share with suppliers our expectations on the management of ESG issues, which now go beyond sustainability and transparency.

ADVOCACY AND POLITICAL ENGAGEMENT

Our Opportunity and Approach

BNY Mellon has a unique voice and perspective to bring to the policy and political process and is committed to working constructively with policymakers and market participants to move the financial services industry forward. Certain employees engage through our Political Action Committee (PAC) program, trade associations and other voluntary activities in accordance with applicable laws, regulations, and internal policies and procedures.

BNY Mellon’s Public Policy and Government Affairs team is responsible for monitoring political activity by or on behalf of BNY Mellon, including administration of the PACs. The Public Policy and Government Affairs team reports to the General Counsel and provides updates at least annually to the CGNSR Committee of the Board of Directors. These activities are conducted in accordance with BNY Mellon’s Code of Conduct, internal policies and procedures, applicable laws and regulations, and in consultation with the Compliance and Legal Departments.

Enterprise ESG 2025 Public Policy Goal

Goal: Continue to engage with stakeholders on key regulatory and legislative issues important to BNY Mellon

KPI: Expand internal awareness of regulatory and legislative impacts and trends

Progress: Expanded internal awareness of regulatory and political trends/impacts through elections webinars, regular public policy and government affairs updates, and updates and outlooks for internal working groups and clients

KPI: Strategically advocate on priority legislative and regulatory issues affecting BNY Mellon

Progress: Worked with leadership to determine policy priorities and engage with policymakers through trade associations, bilateral meetings and comment letters. Topics included capital markets reform, money market fund reform, Treasury market reform and digital assets

Employee-Funded Political Action Committees and Political Contributions

BNY Mellon has two PACs funded entirely by voluntary contributions from eligible employees. Employees are not reimbursed or compensated in any way for political activities or contributions. BNY Mellon did not make any corporate contributions in 2022. We do not use corporate funds for independent political expenditures to support or oppose any candidate for office.

Federal Political Action Committee Contributions in 2022 (USD)*			
	Republican	Democratic	Total
U.S. House	\$86,000	\$93,500	\$179,500
U.S. Senate	\$50,500	\$59,500	\$110,000
Total	\$136,500	\$153,000	\$289,500

* Additional contributions include \$9,800 made to Pennsylvania candidates and \$8,500 made to trade association PACs, resulting in \$307,800 in total PAC disbursements.

In 2022, our federal lobbying expenses were \$1,120,000. Further information on our public policy engagement and lobbying and industry participation in trade associations is available [here](#).

APPENDIX

GLOSSARY

This glossary is intended to facilitate an understanding of concepts and developments we describe in this report.

We recognize that ESG terms continue to evolve and the glossary below is our interpretation of current terminology.

To create this glossary, we referred to several standards, organizations and alliances including: the Global Reporting Initiative (GRI), the Global Sustainable Investment Alliance (GSIA), the Greenhouse Gas (GHG) Protocol, the Impact Investing Institute, Principles for Responsible Investing (PRI), Science Based Targets Initiative (SBTi), the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Global Compact (UNGC).

Bloomberg Gender Equality Index (GEI): The GEI is the world's only comprehensive investment-quality data source on gender equality. It tracks the performance of public companies committed to disclosing their efforts to support gender equality through policy development, representation and transparency.

Carbon neutral: This is a state achieved when unabated carbon emissions are compensated or balanced by another means, often through purchasing carbon offsets and/or renewable energy credits.

Climate-related physical risk: This refers to the risk climate change poses to physical assets or operations, such as direct damage to assets and indirect impacts from supply chain disruption. Organizations' financial performance may also be affected by changes in water availability, sourcing and quality; food security; and extreme temperature changes affecting organizations' premises, operations, supply chain, transport needs and employee safety. Physical risks resulting from climate change can be event-driven (acute) or longer-term shifts (chronic) in climate patterns.

Acute risk: Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, floods or wildfires.

Chronic risk: Chronic physical risks refer to longer-term, ongoing shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise, long-lasting droughts or chronic heat waves.

Climate-related transition risk: This refers to the risks associated with the transition to a low-carbon economy. The most common transition risks relate to extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organizations if they do not comply or adapt.

Custodian bank: A custodian bank is a specialized financial institution responsible for holding and safeguarding assets of its clients, for instance: banks, insurance companies, mutual funds, hedge funds and pension funds.

Diversity, Equity and Inclusion (DEI): DEI is an ethos that recognizes the value of diverse voices and considers inclusivity and employee wellbeing as central facets of success. To bring those values to life, companies implement programs and initiatives that actively make their offices more diverse, equitable and inclusive spaces.

Enterprise ESG: This is an approach that incorporates an ESG lens into all aspects of how a corporation is managed. Enterprise ESG supports the consideration of environmental, social and governance factors and facilitates the associated measurement and reporting. At BNY Mellon, Enterprise ESG refers to our approach to integrating ESG into the business functions.

Environmental, social and governance (ESG): ESG is a construct composed of three specific areas that influence a strategic business or investment approach and a tool to help identify key opportunities and manage risks. Also see entry for [Sustainability](#) below.

ESG materiality: When used in relation to ESG or ESG factors, the word “material” or “materiality” is used to describe the quality of being relevant or significant. While certain matters discussed in this report may be significant to our stakeholders, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations, even if we use the word “material” or “materiality” in this report. See [Approach to Disclosures](#) in this report.

Global Reporting Initiative (GRI): The GRI is an international, independent standards organization that helps businesses, governments and other organizations understand, measure and communicate their social and environmental impacts to all stakeholders. The GRI Standards are some of the oldest and most widely used ESG standards in the world.

The Network for Greening the Financial System

(NGFS): This is a group of central banks and supervisors committed to sharing best practices, contributing to the development of climate- and environment-related risk management in the financial sector, and mobilizing mainstream finance to support the transition toward a sustainable economy.

Net zero: This describes the state when an organization reduces its relevant Scope 1, 2 and 3 category GHG emissions following science-based, below-1.5-degree pathways as much as possible, with any remaining GHG emissions being fully neutralized by like-for-like removals (e.g., permanent removals for fossil carbon emissions).

Paper neutrality: The offsetting of paper use through a program which plants trees in proportion to the global paper use in our offices.

Principles for Responsible Investment (PRI): PRI is an international network of investors working together to implement its six aspirational principles, often referenced as “the Principles.” Its goal is to understand the implications of sustainability for investors and support signatories to facilitate incorporating these issues into their investment decision-making and ownership practices. In implementing these principles,

signatories contribute to the development of a more sustainable global financial system.

Proxy voting: This refers to ballot casting by a person or firm on behalf of a shareholder of a corporation.

Responsible Investment (RI): A commonly applied umbrella term, Responsible Investment describes the overall strategy and practice of incorporating and analyzing the financial implications of Environmental, Social and Governance (ESG) factors as an input to (and in some cases an output of) investment decisions. Stewardship, which seeks to protect and increase the value of investments over time, is typically an important part of the investment process. RI represents a spectrum of investment approaches for capital management and may include the intent to deliver sustainable and/or impact outcomes.

Best-in-class/Positive screening: A rules-based approach to preferentially tilt a portfolio towards investment in sectors, companies or projects selected for positive, or best-in-class ESG characteristics.

ESG integration: The incorporation and analysis of the financial implications of Environmental, Social and Governance factors as an input into investment decisions with the primary purpose of achieving market based risk adjusted returns for our clients.

Exclusionary/Negative screening: A rules-based approach to remove investments from the investable universe based on a defined set of criteria. Criteria may be developed internally or defined by a client and could be set against business activities, controversies, sustainability performance and other affiliations.

Impact investing: The practice of investing with the dual objective of generating a positive, measurable and intended social and/or environmental impact alongside generating a financial return.

Stewardship: The responsible allocation, management and oversight of capital to create long-term economic value for clients and beneficiaries, leading to sustainable benefits for the economy, the environment and society. Good stewardship involves structured, purposeful dialogue or engagement with companies and issuers and considered voting of shares (when applicable) on behalf of investors on key business issues, to protect and enhance the economic value of an investment product’s holdings and to attain an investment product’s objectives. Stewardship activities can include (where applicable) but are

not limited to engagement with issuers; voting at shareholder meetings; filing of shareholder resolutions/proposals; direct roles on investee boards and board committees; negotiation with and monitoring of the stewardship actions of suppliers in the investment chain; engagement with policymakers; engagement with standard setters; contributions to public goods (such as research) and public discourse (such as media) that support stewardship.

Sustainable investing: The practice of investing with the intent to drive environmental and/or socially positive outcomes alongside a financial goal by considering ESG factors as both inputs to, and outputs of, the investment process. It may be pursued by investors wishing to enhance portfolio value e.g. by addressing enterprise-level or systemic risks, or by those wishing to achieve certain sustainability goals in their own right.

Sustainable Thematic Investing: Seeks to identify areas of specific desired change and align investments to supporting these goals. Thematic investing typically focuses on one or more themes such as climate, healthcare, sustainable agriculture.

Science, Technology, Engineering and Math (STEM):

STEM is an interdisciplinary approach to learning in which rigorous academic concepts are coupled with real-world lessons as students apply science, technology, engineering and mathematics in contexts that make connections between school, community, work and the global enterprise, enabling the development of STEM literacy and, with it, the ability to compete in the new economy.

Sustainability: In 1987, the United Nations Brundtland Commission defined sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs.” Sustainability is the overarching value system and concept of jointly considering people, planet and profit in the management of institutions. {See ESG}

Sustainable Finance Disclosure Regulation (SFDR):

A piece of legislation in the European Union designed to increase transparency of sustainability-related disclosures and to increase comparability of disclosures for end investors.

Task Force on Climate-related Financial Disclosures (TCFD):

The Financial Stability Board established the TCFD to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit and insurance underwriting decisions. The recommended TCFD Financial Disclosures are organized into four categories: Governance, Strategy, Risk Management, and Metrics and Targets. The TCFD is unique in that it focuses on assessing the ability of a company to mitigate risks and maximize opportunities related to climate change.

Taskforce on Nature-related Financial Disclosures (TNFD):

The TNFD is a global, market-led, science-based and government supported initiative to help respond to the imperative to factor nature into financial and business decisions. It is the standard framework for measuring, managing and disclosing nature-related risks and opportunities and pricing them into a company’s valuation.

United Nations Global Compact (UNGC):

The UNGC is the world’s largest corporate sustainability initiative, encouraging companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES INDEX

We publicly stated our support for the TCFD recommendations in 2019. For background on our journey and how we consider climate, please see [page 74](#). For information about how we consider each of the Recommended Disclosures, the table below references the specific report page.

Disclosure	Response
GOVERNANCE	
Disclose the organization's governance around climate-related risks and opportunities.	
Describe the board's oversight of climate-related risks and opportunities.	BNY Mellon ESG Report 2022, ESG and Climate Governance p.63 BNY Mellon ESG Report 2022, Climate-Related Governance p.75
Describe management's role in assessing and managing climate-related risks and opportunities.	BNY Mellon ESG Report 2022, ESG Governance p.11 BNY Mellon ESG Report 2022, Climate-Related Governance p.75
STRATEGY	
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	BNY Mellon ESG Report 2022, Climate Risk Management p.77-88
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	BNY Mellon ESG Report 2022, Climate Risk Management p.77-88 , BNY Mellon ESG Report 2022, Sustainable Client Solutions p.12-15 ; BNY Mellon ESG Report 2022, Responsible Investment p.16-23 , BNY Mellon ESG Report 2022, Data and Analytics p.25-27 and BNY Mellon ESG Report 2022, Financial Infrastructure p.28-32
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	BNY Mellon ESG Report 2022, Scenario Analysis Approach p.85 , BNY Mellon ESG Report 2022, Scenario Analysis and Stress Testing p.85-86 BNY Mellon ESG Report 2022, Climate-Related Enterprise Resiliency p.88-89

RISK MANAGEMENT

Disclose how the organization identifies, assesses and manages climate-related risks.

Describe the organization's processes for identifying and assessing climate-related risks.	BNY Mellon ESG Report 2022, Climate Risks Identification, Assessment and Materiality p.79–84
Describe the organization's processes for managing climate-related risks.	BNY Mellon ESG Report 2022, Climate-Related Governance p.75
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	BNY Mellon ESG Report 2022, Climate-Related Governance p.75

METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	BNY Mellon ESG Report 2022, Risk Measurement for Key Risks p.80–84 BNY Mellon ESG Report 2022, Climate-Related Metrics and Targets p.89–90
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	BNY Mellon ESG Report 2022, Climate-Related Metrics and Targets p.89–90
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	BNY Mellon ESG Report 2022, Climate-Related Metrics and Targets p.89–90

GLOBAL REPORTING INITIATIVE (GRI) INDEX

The following is supplemental information to BNY Mellon’s 2022 Enterprise ESG Report. It is arranged according to the Global Reporting Initiative (GRI) Standards indicator list. All data is reported as of December 31, 2022, unless otherwise noted. This index provides responses for individual GRI indicators in the following ways: (1) section and page references to our 2022 Enterprise ESG Report; (2) direct responses within the index; (3) references to other company reports (e.g., Annual Report or Proxy Statement); or (4) materials located on our website.

Standard	Disclosure	Location / Our Response
GRI 1: Foundation 2021 used		
GRI 2: General Disclosures 2021	2-1 Organizational details	BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> • General, p.3 • International Operations, p.21 • Corporate Information, p.226
	2-2 Entities included in the organization’s sustainability reporting	BNY Mellon Form 10-K 2022: <ul style="list-style-type: none"> • Item 1. Business, Description of Business, p.5 BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • About This Report, p.3
	2-3 Reporting period, frequency and contact point	BNY Mellon Enterprise ESG Report 2022, About This Report, p.3 The BNY Mellon Enterprise ESG Report 2022 was published on [19] June 2023.
	2-4 Restatements of information	There have not been any restatements of information made from the previous reporting periods.
	2-5 External assurance	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Managing Climate-Related Impacts, Climate-related Metrics and Targets, Independent Verification, p.89–90 • Verification Opinion Declaration Greenhouse Gas Emissions, p.131
	2-6 Activities, value chain and other business relationships	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • BNY Mellon Overview, p.5 • Global Citizenship, Supply Chain, p.101–103 BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> • Review of Business Segments, p. 13 • International Operations, p.21 BNY Mellon Form 10-K 2022: <ul style="list-style-type: none"> • Item 1. Business, Description of Business, p.5 Political Engagement

2-7 Employees	<p>BNY Mellon Annual Report 2022:</p> <ul style="list-style-type: none"> International Operations, p.21–22 <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Diversity, Equity and Inclusion, Global Gender Diversity, p.36 EEO-1 Report, p.129 <p>Data is not available to show the breakdown by gender and region for permanent, temporary, non-guaranteed hours, full-time and part-time employees, due to data collection constraints in some regions.</p>
2-8 Workers who are not employees	Not applicable as BNY Mellon does not rely significantly on workers who are not employees to perform its work, in comparison to employees.
2-9 Governance structure and composition	<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Corporate Governance and Board Information, p.20–22 Item 1 - Election of Directors, Director Qualifications, p.18 <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11
2-10 Nomination and selection of the highest governance body	<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Director Nomination Process, p.23
2-11 Chair of the highest governance body	<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Board Leadership Structure, p.29 Item 1 - Election of Directors, Director Independence, p.29–30
2-12 Role of the highest governance body in overseeing the management of impacts	<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Oversight of Environmental, Social and Governance Matters, p.32-33 Item 1 - Election of Directors, Committees and Committee Charters, p.40, 42 (see CGNSR Committee Charter; Risk Committee Charter) <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Responsible Business, Strong Governance, p.62–65
2-13 Delegation of responsibility for managing impacts	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Responsible Business, Strong Governance, p.62–65
2-14 Role of the highest governance body in sustainability reporting	<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Committees and Committee Charters, p.40 (see CGNSR Committee Charter) <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p. 10–11
2-15 Conflicts of interest	<p>BNY Mellon 2023 Proxy Statement</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Corporate Governance and Board Information, Director Nomination Process, p.23-24 <p>The Bank of New York Mellon Corporation Directors' Code of Conduct</p>

2-16 Communication of critical concerns		<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Our Corporate Governance Practices, p.20–23 <p>The Bank of New York Mellon Corporation Corporate Governance Guidelines Communications with Independent Chairman</p> <p>Data is not currently made publicly available regarding the number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.</p>
2-17 Collective knowledge of the highest governance body		<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Committees and Committee Charters, p.40, 42 (see CGNSR Committee Charter; Risk Committee Charter) <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Responsible Business, Strong Governance, ESG and Climate Governance, p.63–64
2-18 Evaluation of the performance of the highest governance body		<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Evaluation of Board and Committee Effectiveness, p.25–26 <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Responsible Business, Strong Governance, p.62–65
2-19 Remuneration policies		<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Compensation Principles and Practices, p.8–9 Item 1 - Election of Directors, Director Compensation, p.44–46 Item 2 - Advisory Vote on Compensation, Introduction, p.49–51 Additional Information, Equity Compensation Plans, p.104 <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Responsible Business, Strong Governance, Executive Compensation, p.65
2-20 Process to determine remuneration		<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Compensation Principles and Practices, p.8–9 BNY Mellon 2023 Proxy Statement Item 1 - Election of Directors, Director Compensation, p.44–46 Item 2 - Advisory Vote on Compensation, Introduction, p.49–50 Additional Information, Equity Compensation Plans, p.104
2-21 Annual total compensation ratio		<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 2 - Advisory Vote on Compensation, Introduction, p.49 Item 2 - Advisory Vote on Compensation, Pay Ratio, p.82
2-22 Statement on sustainable development strategy		<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Message from our CEO, p.2
2-23 Policy commitments		<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Responsible Business, Risk Management, Compliance and Ethical Behavior, p.68–69 (see also Code of Conduct) Global Citizenship, Environmental Sustainability, p.91–97 (see also Environmental Sustainability Policy Statement) Global Citizenship, Protecting Human Rights, p.98–100 (see also Human Rights Statement)

2-24 Embedding policy commitments	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Responsible Business, Risk Management, Compliance and Ethical Behavior, p.68–69 (see also Code of Conduct) • Global Citizenship, Environmental Sustainability, p.91–97 (see also Environmental Sustainability Policy Statement) • Global Citizenship, Protecting Human Rights, p.98–100 (see also Human Rights Statement)
2-25 Processes to remediate negative impacts	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Protecting Human Rights, p.98–100 (see also Human Rights Statement and Code of Conduct)
2-26 Mechanisms for seeking advice and raising concerns	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Responsible Business, Risk Management, Compliance and Ethical Behavior, Escalation and Speaking Up, p.68–69 <p>BNY Mellon Employee Code of Conduct The Bank of New York Mellon Corporation Directors' Code of Conduct</p>
2-27 Compliance with laws and regulations	<p>BNY Mellon Annual Report 2022:</p> <ul style="list-style-type: none"> • Legal Proceedings, p.182–185
2-28 Membership associations	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Responsible Investment, Collaborative Engagement and Advocacy, p.18–20 • Global Citizenship, Advocacy and Political Engagement, p.104–105 (see also Political Engagement) • Global Citizenship, Supply Chain, Outreach and External Advocacy Relationships, p.102
2-29 Approach to stakeholder engagement	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Enterprise ESG at BNY Mellon, Stakeholder Engagement, p.10
2-30 Collective bargaining agreements	<p>BNY Mellon Employee Code of Conduct (see p.6 for 'How to report a concern')</p>

Material Topics		
Standard	Disclosure	Location / Our Response
GRI 3: Material Topics 2021	3-1 Process to determine material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Enterprise ESG at BNY Mellon, ESG Materiality, p.8
	3-2 List of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Enterprise ESG at BNY Mellon, Enterprise ESG Strategy, p.8–9 There were no changes to the material topics compared to the previous reporting period.
	3-3 Management of material topics	The management of material topics is included in the topic disclosures within this GRI Index (GRI 3-3).

Economic Performance		
Standard	Disclosure	Location / Our Response
GRI 201: Economic Performance 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Responsible Business, Strong Governance, Tax Transparency and Integrity, p.65 (see also BNY Mellon Global Tax Strategy) BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> 2022 Financial Performance, VII-IX
	201-1 Direct economic value generated and distributed	BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> Financial Summary, p.2 Noninterest Expense, p.12 BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Culture and Purpose, Our Community Impact, p.54–60 Approach, Sustainable Client Solutions, Investing in Communities, p.14–15
	201-2 Financial implications and other risks and opportunities due to climate change	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Global Citizenship, Managing Climate-Related Impact, Climate Risk Management, p.77–88
	201-3 Defined benefit plan obligations and other retirement plans	BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> Employee Benefit Plans, p.162
	201-4 Financial assistance received from government	BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> Income Taxes, p.154 (see also BNY Mellon Global Tax Strategy) BNY Mellon 2023 Proxy Statement: <ul style="list-style-type: none"> Additional Information, Information on Stock Ownership, p.105

Indirect Economic Impacts		
Standard	Disclosure	Location / Our Response
GRI 203: Indirect Economic Impacts 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Approach, Sustainable Client Solutions, p.12-13 • Culture and Purpose, Our Community Impact, p.54-60
	203-1 Infrastructure investments and services supported	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Sustainable Client Solutions, p.12-13 • Culture and Purpose, Our Community Impact, p.54-60
	203-2 Significant indirect economic impacts	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Sustainable Client Solutions, p.12-13 • Culture and Purpose, Our Community Impact, p.54-60

Procurement Practices		
Standard	Disclosure	Location / Our Response
GRI 204: Procurement Practices 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Supply Chain, p.101-103 • Global Citizenship, Protecting Human Rights, Modern Slavery, p.99 BNY Mellon Supplier Code of Conduct
	204-1 Proportion of spending on local suppliers	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Global Citizenship, Supply Chain, p.101-103 The percentage of procurement budget spent on local suppliers is not available as it is not a material focus for BNY Mellon currently.

Anti-corruption		
Standard	Disclosure	Location / Our Response
GRI 205: Anti-corruption 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Responsible Business, Risk Management, Compliance and Ethical Behavior, Anti-bribery and corruption, p.68–69 BNY Mellon Employee Code of Conduct The Bank of New York Mellon Corporation Directors' Code of Conduct
	205-1 Operations assessed for risk to corruption	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Responsible Business, Risk Management, Compliance and Ethical Behavior, Anti-Bribery and Corruption, p.68–69
	205-2 Communication and training about anti-corruption policies and procedures	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Responsible Business, Risk Management, Compliance and Ethical Behavior, p.69–70 • Global Citizenship, Supply Chain, Supplier Responsibility, p.102
	205-3 Confirmed incidents of corruption and actions taken	BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> • Legal Proceedings, p.182-185

Anti-competitive Behavior		
Standard	Disclosure	Location / Our Response
GRI 206: Anti-competitive Behavior 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Responsible Business, Risk Management, Compliance and Ethical Behavior, p.68–69 BNY Mellon Employee Code of Conduct The Bank of New York Mellon Corporation Directors' Code of Conduct
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> • Legal Proceedings, p.182–185

Energy		
Standard	Disclosure	Location / Our Response
GRI 302: Energy 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Managing Climate-Related Impacts, Climate-related Governance, p.75 • Global Citizenship, Environmental Sustainability, p.91-97 <p>Environmental Sustainability Policy Statement</p>
	302-1 Energy consumption within the organization	<ul style="list-style-type: none"> a. BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.93 b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used: While BNY Mellon does not purchase fuel from renewable sources directly; we do purchase carbon offsets and renewable electricity products to offset all of our emissions generated from Scope 1, Scope 2 and Scope 3 business travel. c. BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.93 d. In joules, watt-hours or multiples, the total: Electricity sold, Heating sold, Cooling sold, and Steam sold: BNY Mellon does not sell any electricity, heating, cooling or steam. e. BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.93 f. Standards, methodologies, and assumptions used: BNY Mellon follows The Corporate Standard Greenhouse Gas Protocol for calculating emissions and energy use. An Operational Control boundary is used. g. Source of the conversion factors used: Conversions for Fuel and Electricity were done with the U.S. Energy Information Administration's Energy Conversion Calculator. Steam was converted from BTU to joules using the factor: 1 BTU=1055.05585 joules as defined by the International Energy Agency's Unit Converter
	302-2 Energy consumption outside the organization	<p>BNY Mellon follows The Corporate Standard Greenhouse Gas Protocol for calculating emissions and energy use. An Operational Control boundary is used. BNY Mellon considers energy consumed from purchased goods and services, capital goods, fuel-and-energy-related activities, upstream transportation and distribution, business travel, employee commuting, downstream leased assets, and investments relevant to our operations. For more detail on methodologies and assumptions used, please see CDP response 2020. Conversions for Fuel and Electricity were done with the U.S. Energy Information Administration's Energy Conversion Calculator.</p>
	302-3 Energy intensity	<ul style="list-style-type: none"> a. BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.93 b. BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.93 c. Fuel, electricity and steam are included; BNY Mellon does not consume additional sources of heating or cooling. d. The ratio uses energy consumed within the organization within BNY Mellon's operational control scope 1 and 2.

	302-4 Reduction of energy consumption	BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.93
	302-5 Reductions in energy requirements of products and services	Not applicable to BNY Mellon's business.

Water and Effluents

Standard	Disclosure	Location / Our Response
GRI 303: Water and Effluents 2018	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Environmental Sustainability, p.91–97 Environmental Sustainability Policy Statement
	303-1 Interactions with water as a shared resource	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Global Citizenship, Environmental Sustainability, Water Conservation, p.96
	303-2 Management of water discharge-related impacts	Not applicable due to the nature of BNY Mellon's operations which use municipal water only. All wastewater is discharged through municipal sewerage systems.
	303-3 Water withdrawal	<ul style="list-style-type: none"> • BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.96
	303-4 Water discharged	BNY Mellon does not actively track water discharge volumes, category or area. All wastewater is discharged through municipal sewerage systems.
	303-5 Water consumption	BNY Mellon does not actively track water consumption volumes, category or area. All wastewater is discharged through municipal sewerage systems.

Emissions		
Standard	Disclosure	Location / Our Response
GRI 305: Emissions 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Managing Climate-Related Impacts, Climate-related Governance, p.75 • Global Citizenship, Managing Climate-Related Impacts, p.74 • Global Citizenship, Environmental Sustainability, p.91-97 <p>Environmental Sustainability Policy Statement</p>
	305-1 Direct (Scope 1) GHG emissions	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Managing Climate-Related Impacts, Climate-related Metrics and Targets, p.89-90
	305-2 Energy indirect (Scope 2) GHG emissions	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Managing Climate-Related Impacts, Climate-related Metrics and Targets, p.89-90
	305-3 Other indirect (Scope 3) GHG emissions	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Managing Climate-Related Impacts, Climate-related Metrics and Targets, p.89-90
	305-4 GHG emissions intensity	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Managing Climate-Related Impacts, Climate-related Metrics and Targets, p.89-90
	305-5 Reduction of GHG emissions	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Managing Climate-Related Impacts, Climate-related Metrics and Targets, p.89-90
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable to BNY Mellon's business.
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Not applicable to BNY Mellon's business.

Waste		
Standard	Disclosure	Location / Our Response
GRI 306: Waste 2020	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Environmental Sustainability, p.91–97 <p>Environmental Sustainability Policy Statement</p>
	306-1 Waste generation and significant waste-related impacts	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Environmental Sustainability, Waste Management, p.95 • Global Citizenship, Environmental Sustainability, Managing Printing and Paper Use, p.96
	306-2 Management of significant waste-related impacts	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Environmental Sustainability, Waste Management, p.95 • Global Citizenship, Environmental Sustainability, Managing Printing and Paper Use, p.96
	306-3 Waste generated	<ul style="list-style-type: none"> • BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.95
	306-4 Waste diverted from disposal	<ul style="list-style-type: none"> • BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.95 <p>BNY Mellon does not produce hazardous waste.</p>
	306-5 Waste directed to disposal	<ul style="list-style-type: none"> • BNY Mellon Enterprise ESG Report 2022: Global Citizenship, Environmental Sustainability, p.95 <p>BNY Mellon does not produce hazardous waste.</p>

Environmental Compliance		
Standard	Disclosure	Location / Our Response
GRI 307: Environmental Compliance 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Managing Climate-Related Impacts, Climate-related Governance, p.75 • Global Citizenship, Managing Climate-Related Impacts, Climate-related Metrics and Targets, p.90–91 • Global Citizenship, Environmental Sustainability, p.91–97 <p>Environmental Sustainability Policy Statement</p>
	307-1 Non-compliance with environmental laws and regulations	<p>No significant fines or sanctions related to non-compliance with environmental laws and/or regulations were imposed on BNY Mellon in 2022.</p>

Supplier Environmental Assessment		
Standard	Disclosure	Location / Our Response
GRI 308: Supplier Environmental Assessment 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Global Citizenship, Supply Chain, Supplier Responsibility, p.101 BNY Mellon Supplier Code of Conduct (see p.13 Environmental Sustainability)
	308-1 New suppliers screened using environmental criteria	BNY Mellon Supplier Code of Conduct The percentage of new suppliers that were screened is not available.
	308-2 Negative environmental impacts in the supply chain and actions taken	BNY Mellon Supplier Code of Conduct The number and percentage of suppliers assessed is not available.

Employment		
Standard	Disclosure	Location / Our Response
GRI 401: Employment 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 Culture and Purpose, p.36, 40, 42, 48
	401-1 New employee hires and employee turnover	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Culture and Purpose, Diversity, Equity and Inclusion, Global Gender Diversity, p.36 Culture and Purpose, Employee Engagement, Retention and Wellbeing, Retention, p.47 Employee retention is reported by region in place of employee turnover.
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> Culture and Purpose, Leadership and Development, Performance Management, Compensation, p.44 Culture and Purpose, Employee Engagement, Retention and Wellbeing, Employee Wellbeing, p.47–53 BNY Mellon Annual Report 2022 <ul style="list-style-type: none"> Employee Benefit Plans, p.162
	401-3 Parental leave	BNY Mellon Enterprise ESG Report 2022 <ul style="list-style-type: none"> Culture and Purpose, Employee Engagement, Retention and Wellbeing, Employee Wellbeing, Supporting Working Parents and Caregivers, p.52 A new parental leave policy was introduced in 2022; the corresponding data is not yet available.

Training and Education		
Standard	Disclosure	Location / Our Response
GRI 404: Training and Education 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 Culture and Purpose, Leadership and Development, p.37-38
	404-1 Average hours of training per year per employee	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Culture and Purpose, Leadership and Development, Investing in Our People, p.42-44 <p>The breakdown of average hours of training by genders and employee category is not currently available.</p>
	404-2 Programs for upgrading employee skills and transition assistance programs	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Culture and Purpose, Leadership and Development, p.41-46
	404-3 Percentage of employees receiving regular performance and career development reviews	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Culture and Purpose, Leadership and Development, Performance Management, p.44-45

Diversity and Equal Opportunity		
Standard	Disclosure	Location / Our Response
GRI 405: Diversity and Equal Opportunity 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 Culture and Purpose, Diversity, Equity and Inclusion, p.34-40 Culture and Purpose, Leadership and Development, Performance Management, Pay Equity, p.44-45 Responsible Business, Strong Governance, Strength in Diversity, p.65 <p>BNY Mellon Equal Employment Opportunity / Affirmative Action (EE0/AA) BNY Mellon Pay Equity Statement 2022 BNY Mellon Gender Pay Gap Report (UK)</p>
	405-1 Diversity of governance bodies and employees	<p>BNY Mellon 2023 Proxy Statement:</p> <ul style="list-style-type: none"> Item 1 - Election of Directors, Director Qualifications, p.18 <p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Responsible Business, Strong Governance, Strength in Diversity, p.65 Culture and Purpose, Diversity, Equity and Inclusion, Global Gender Diversity, p.36 Culture and Purpose, Diversity, Equity and Inclusion, U.S. Ethnicity, p.37 Culture and Purpose, Diversity, Equity and Inclusion, UK Race & Ethnicity, p.38 Culture and Purpose, Diversity, Equity and Inclusion, Additional Dimensions of Representation (US and UK), p.39
	405-2 Ratio of basic salary and remuneration of women to men	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Culture and Purpose, Leadership and Development, Performance Management, Pay Equity, p.44-45 <p>BNY Mellon Pay Equity Statement 2022 BNY Mellon Gender Pay Gap Report (UK)</p> <p>The ratio for each employee category is not currently available.</p>

Human Rights Assessment		
Standard	Disclosure	Location / Our Response
GRI 412: Human Rights Assessment 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 Global Citizenship, Protecting Human Rights, p.98–100 <p>BNY Mellon Human Rights Statement BNY Mellon Modern Slavery Act</p>
	412-1 Operations that have been subject to human rights reviews or impact assessments	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Global Citizenship, Protecting Human Rights, p.98–100 <p>BNY Mellon Human Rights Statement BNY Mellon Modern Slavery Act</p> <p>The total number and percentage of operations that have been subject to human rights reviews by country is not available.</p>
	412-2 Employee training on human rights policies or procedures	<p>BNY Mellon Modern Slavery Act (See Training)</p> <p>The total number of training hours and percentage of employees trained on human rights is not available.</p>
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Global Citizenship, Protecting Human Rights, p.98–100 <p>BNY Mellon Human Rights Statement BNY Mellon Supplier Code of Conduct</p> <p>The total number and percentage of significant investment agreements with human rights clauses is not available.</p>

Local Communities		
Standard	Disclosure	Location / Our Response
GRI 413: Local Communities 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 Culture and Purpose, Our Community Impact, p.54–60 Approach, Sustainable Client Solutions, Investing in Communities, p.14–15 <p>BNY Mellon Employee Code of Conduct (See Supporting Our Communities) BNY Mellon Supplier Code of Conduct (See Community Commitment)</p>
	413-1 Operations with local community engagement, impact assessment and development programmes	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Culture and Purpose, Our Community Impact, p.54–60 Approach, Sustainable Client Solutions, Investing in Communities, p.14–15 <p>The percentage of operations with implemented local community engagement programs is not available.</p>
	413-2 Operations with significant actual and potential negative impacts on local communities	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> Culture and Purpose, Our Community Impact, p.54–60

Supplier Social Assessment		
Standard	Disclosure	Location / Our Response
GRI 414: Supplier Social Assessment 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Supply Chain, p.101–103 <p>BNY Mellon Supplier Code of Conduct BNY Mellon Modern Slavery Act BNY Mellon Human Rights Statement</p>
	414-1 New suppliers that were screened using social criteria	<p>BNY Mellon Supplier Code of Conduct BNY Mellon Modern Slavery Act BNY Mellon Human Rights Statement</p> <p>The percentage of new suppliers that were screened is not available.</p>
	414-2 Negative social impacts in the supply chain and actions taken	<p>BNY Mellon Supplier Code of Conduct BNY Mellon Modern Slavery Act BNY Mellon Human Rights Statement</p> <p>The number and percentage of suppliers assessed is not available.</p>

Public Policy		
Standard	Disclosure	Location / Our Response
GRI 415: Public Policy 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Global Citizenship, Advocacy and Political Engagement, p.104–105 <p>Political Engagement</p>
	415-1 Political contributions	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Global Citizenship, Advocacy and Political Engagement, p.104–105 <p>Political Engagement</p>

Customer Privacy		
Standard	Disclosure	Location / Our Response
GRI 418: Customer Privacy 2016	GRI 3-3 Management of material topics	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Responsible Business, Risk Management, Data Privacy, p.71–72 <p>Privacy Statements and Privacy Notices</p>
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>BNY Mellon Enterprise ESG Report 2022:</p> <ul style="list-style-type: none"> • Responsible Business, Risk Management, Data Privacy, p.71–72 <p>Number of substantiated complaints is not publicly available.</p>

Socio-economic Compliance		
Standard	Disclosure	Location / Our Response
GRI 419: Socio-economic Compliance 2016	GRI 3-3 Management of material topics	BNY Mellon Enterprise ESG Report 2022: <ul style="list-style-type: none"> • Approach, Enterprise ESG at BNY Mellon, Enterprise ESG Governance, p.11 • Approach, Enterprise ESG at BNY Mellon, 2025 Goals and Progress, p.9 • Responsible Business, Risk Management, Compliance and Ethical Behavior, p.68–69
	419-1 Non-compliance with laws and regulations in the social and economic area	BNY Mellon Annual Report 2022: <ul style="list-style-type: none"> • Legal Proceedings, p.182–185

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS (COP)

With this report, we reaffirm our support of the Ten Principles of the UNGC in the areas of human rights, labor, environment and anti-corruption. We will complete the Communication on Progress (CoP) questionnaire on the new CoP platform launched by UNGC in 2023. The completed questionnaire will be made available on our [website](#) after June 2023.

EQUAL EMPLOYMENT OPPORTUNITY

2022 Employer Information Report (U.S.)

Male Workforce

Job categories	Hispanic or Latino	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	Overall total
Executive/SR Officials & MGRS	0	8	0	0	2	0	0	10
First/Mid Officials & MGRS	123	2014	126	2	454	1	39	2,759
Professionals	410	4675	424	15	1756	9	107	7,396
Technicians	7	42	16	0	11	0	2	78
Sales Workers	4	81	0	0	8	0	0	93
Administrative Support	317	2038	468	5	322	5	71	3,226
Craft Workers	0	0	0	0	0	0	0	0
Operatives	0	0	1	0	0	0	0	1
Laborers & Helpers	0	0	0	0	0	0	0	0
Service Workers	1	0	0	0	0	0	0	1
Total	862	8,858	1,035	22	2,553	15	219	13,564
Previous Report Total	765	9,074	941	17	2,363	11	270	13,441

Female Workforce

Job categories	Hispanic or Latino	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	Overall total
Executive/SR Officials & MGRS	0	4	1	0	0	0	0	5
First/Mid Officials & MGRS	95	1095	171	2	227	0	25	1,615
Professionals	371	2841	483	4	1061	7	94	4,861
Technicians	1	31	6	0	6	0	0	44
Sales Workers	3	23	0	0	2	0	1	29
Administrative Support	485	1915	928	9	483	11	74	3,905
Craft Workers	0	0	0	0	0	0	0	0
Operatives	0	0	0	0	0	0	0	0
Laborers & Helpers	0	0	0	0	0	0	0	0
Service Workers	0	0	0	0	0	0	0	0
Total	955	5,909	1,589	15	1,779	18	194	10,459
Previous Report Total	873	6,023	1,458	15	1,671	14	232	10,286

Male and Female Combined Totals

	Hispanic or Latino	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	Overall total
Total	1,817	14,767	2,624	37	4,332	33	413	24,023
Previous Report Total	1,675	16,068	2,536	28	4,028	25	564	23,727



**VERIFICATION OPINION DECLARATION
GREENHOUSE GAS EMISSIONS**

To: Stakeholders of BNY Mellon

APEX Companies LLC, (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by BNY Mellon for the period stated below. This Verification Opinion Declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of BNY Mellon. BNY Mellon is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex’s sole responsibility was to provide an independent verification opinion on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Worldwide for Scope 1 and 2 Emissions
- USA and UK only for Scope 3 Emissions

Types of GHGs: CO₂, N₂O, CH₄, HFCs

GHG Emissions Statement:

Electricity Consumption Megawatt Hours (MWH) for 2022	
Electricity Consumption MWH	237,217
Purchased Renewable Energy Certificates (RECs), Guarantees of Origin (GOs) and other renewable electricity instruments in MWH applied to Scope 2 Emissions from Purchased Electricity	243,230
BNY Mellon Entity-Wide GHG Emissions for 2022	
Scope 1 Emissions - Metric Tonnes (mt) of CO ₂ equivalent (CO ₂ e)	7,520
Scope 2 Emissions – Location Based mt CO ₂ e	94,371
Scope 2 Emissions – Market Based mt CO ₂ e (purchased steam emissions and electricity emissions not covered by renewable electricity instruments)	1,450
Scope 3 Emissions – Category 6 Business Travel mt CO ₂ e	6,450
Total Scope 1 + Scope 2 Market Based + Scope 3 Business Travel mt CO₂e	15,420
GHG Emission Offsets and Net Emissions for 2022	
Purchased GHG Emission Offsets mt CO ₂ e	16,200
Net Emissions CO₂e (Scope 1 + Scope 2 Market Based + Scope 3) - Purchased GHG Emission Offsets	0

Data and information supporting the Scope 1 and Scope 2 GHG emissions assertion were in most cases historical in nature, but in some cases estimated.

Data and information supporting the Scope 3 GHG emissions assertion were in some cases estimated, rather than historical in nature.

Period covered by GHG emissions verification:

- January 1, 2022 to December 31, 2022

Criteria against which verification conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard, Revised Edition (Scope 1 and 2) and the GHG Protocol Scope 2 Guidance, an amendment to the GHG Protocol Corporate Standard
- WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard

Reference Standard:

- ISO 14064-3 Second Edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of +/-5% for aggregate errors in sampled data for each of the above indicators.
- Qualifications: None

GHG Verification Methodology:

Evidence-gathering procedures included, but were not limited to:

- Interviews with relevant personnel of BNY Mellon;
- Review of documentary evidence produced by BNY Mellon;
- Review of BNY Mellon data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions;
- Review of data and methodology for tracking purchases, certification and retirement of RECs, GOs, and GHG Offsets; and,
- Audit of sample of data used by BNY Mellon to determine GHG emissions.

Verification Opinion:

Based on the verification process and procedures conducted to a limited assurance level of the GHG emissions statement shown above, Apex found no evidence that the GHG emissions statement:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).



It is our opinion that BNY Mellon has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with BNY Mellon, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

A handwritten signature in blue ink, appearing to read 'Mary E. Armstrong-Friberg'.

Mary E. Armstrong-Friberg, Lead Verifier
ESG Program Manager
APEX Companies, LLC
Cleveland, Ohio

A handwritten signature in blue ink, appearing to read 'David Reilly'.

David Reilly, Technical Reviewer
ESG Principal Consultant
APEX Companies, LLC
Santa Ana, California

April 24, 2023

This verification opinion declaration, including the opinion expressed herein, is provided to BNY Mellon and is solely for the benefit of BNY Mellon in accordance with the terms of our agreement. We consent to the release of this declaration by you to CDP in order to satisfy the terms of CDP disclosure requirements but without accepting or assuming any responsibility or liability on our part to CDP or to any other party who may have access to this declaration.

LEGAL NOTICES

FORWARD-LOOKING STATEMENTS

We have included in this report statements that may constitute “forward-looking statements.” Forward-looking statements are not historical facts or statements of current conditions, but instead represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These statements are not guarantees of future results or performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and are often beyond our control. These statements relate to, among other things, our goals, targets, aspirations, strategy, plans, intentions and objectives, and actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements. Factors that could cause our outcomes and results to differ from the forward-looking statements include global socio-demographic and economic trends, energy prices, technological innovations, climate-related conditions and weather events, our ability to gather and verify data regarding environmental impacts, changes in the methodologies, assumptions and estimates underlying our climate-related strategy and analysis, our ability to successfully implement various initiatives throughout the company under expected timeframes, the compliance of various third parties with our policies and procedures, legislative and regulatory changes, and other unforeseen events or conditions. In addition, important factors that generally affect our business and operations can be found under “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021, and in subsequent reports filed with the Securities and Exchange Commission (SEC).

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.

APPROACH TO DISCLOSURES

Certain disclosures included in this report are being provided in connection with our application of guidelines and recommendations of the Global Reporting Initiative, the UN Global Compact, the Task Force on Climate-related Financial Disclosures and others. Our approach to the disclosures included in this report differs from our approach to the disclosures we include in our mandatory regulatory reports, including our filings with the SEC. While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations, even if we use the word “material” or “materiality” in this report. This report is intended to provide information from a different perspective and in more detail than that required to be included in other regulatory reports, including our filings with the SEC.

LEGAL NOTICES AND DISCLOSURES

BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation and may be used to reference the corporation as a whole and/or its various subsidiaries generally. This material and any products and services may be issued or provided under various brand names of BNY Mellon in various countries by duly authorized and regulated subsidiaries, affiliates, and joint ventures of BNY Mellon, which may include any of those listed below:

The Bank of New York Mellon, a banking corporation organized pursuant to the laws of the State of New York, whose registered office is at 240 Greenwich St, NY, NY 10286, USA. The Bank of New York Mellon is supervised and regulated by the New York State Department of Financial Services and the US Federal Reserve and is authorized by the Prudential Regulation Authority (PRA) (Firm Reference Number: 122467).

The Bank of New York Mellon also operates in the UK through its London branch (UK companies house

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

In the U.K., a number of services associated with BNY Mellon Wealth Management's Family Office Services – International are provided through The Bank of New York Mellon, London Branch.

Investment management services are offered through BNY Mellon Investment Management EMEA Limited, BNY Mellon Centre, One Canada Square, London E14 5AL, which is registered in England No. 1118580 and is authorised and regulated by the Financial Conduct Authority. Offshore trust and administration services are through BNY Mellon Trust Company (Cayman) Ltd.

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

The Bank of New York Mellon SA/NV, a Belgian public limited liability company, with company number 0806.743.159, whose registered office is at 46 Rue Montoyerstraat, B-1000 Brussels, Belgium, authorised and regulated as a significant credit institution by the European Central Bank (ECB), under the prudential supervision of the National Bank of Belgium (NBB) and under the supervision of the Belgian Financial Services and Markets Authority (FSMA) for conduct of business rules, a subsidiary of The Bank of New York Mellon.

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

The Bank of New York Mellon SA/NV operates in Germany as The Bank of New York Mellon SA/NV, Asset

Servicing, Niederlassung Frankfurt am Main, and has its registered office at MesseTurm, Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, Germany. It is subject to limited additional regulation by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany) under registration number 122721.

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

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

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

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

The Bank of New York Mellon SA/NV operates in Denmark as The Bank of New York Mellon SA/NV, Copenhagen Branch, filial af The Bank of New York Mellon SA/NV, Belgien, and has its registered office at Tuborg Boulevard 12, 3. DK-2900 Hellerup, Denmark.

It is subject to limited additional regulation by the Danish Financial Supervisory Authority (Finanstilsynet, Århusgade 110, 2100 København Ø).

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

The Bank of New York Mellon SA/NV operates in England through its London branch at 160 Queen Victoria Street, London EC4V 4LA, UK, registered in England and Wales with numbers FC029379 and BR014361. The Bank of New York Mellon SA/NV, London branch is authorized by the ECB (address above) and is deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.

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

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

For clients located in Switzerland

The information provided herein does not constitute an offer of a financial instrument or an offer to provide financial service in Switzerland pursuant to or within the meaning of the Swiss Financial Services Act ("FinSA") and its implementing ordinance. This is solely an advertisement pursuant to or within the meaning of FinSA and its implementing ordinance.

Please be informed that The Bank of New York Mellon and The Bank of New York Mellon SA/NV are entering

into any OTC derivative transactions as a counterparty, i.e. each is acting for its own account or for the account of one of its affiliates. As a result, where you enter into any OTC derivative transactions with us, you will not be considered a "client" (within the meaning of the FinSA) and you will not benefit from the protections otherwise afforded to clients under FinSA.

The Bank of New York Mellon, Singapore Branch, is subject to regulation by the Monetary Authority of Singapore. For recipients of this information located in Singapore: This material has not been reviewed by the Monetary Authority of Singapore. The Bank of New York Mellon, Hong Kong Branch (a branch of a banking corporation organized and existing under the laws of the State of New York with limited liability), is subject to regulation by the Hong Kong Monetary Authority and the Securities & Futures Commission of Hong Kong.

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

For clients located in Malaysia, none of The Bank of New York Mellon group entities, including The Bank of New York Mellon, Kuala Lumpur, Representative Office, are registered or licensed to provide, nor does it purport to provide, financial or capital markets services of any kind in Malaysia under the Capital Markets and Services Act 2007 of Malaysia or Financial Services Act 2013 of Malaysia.

The Bank of New York Mellon has various other branches in the Asia-Pacific Region which are subject to regulation by the relevant local regulator in that jurisdiction.

The Bank of New York Mellon Securities Company Japan Ltd, as intermediary for The Bank of New York Mellon.

The Bank of New York Mellon, DIFC Branch, regulated by the Dubai Financial Services Authority (DFSA) and located at DIFC, The Exchange Building 5 North, Level 6, Room 601, P.O. Box 506723, Dubai, UAE, on behalf of The Bank of New York Mellon, which is a wholly-owned subsidiary of The Bank of New York Mellon Corporation.

Pershing is the umbrella name for Pershing LLC (member FINRA, SIPC and NYSE), Pershing Advisor Solutions (member FINRA and SIPC), Pershing Limited (UK),

Pershing Securities Limited (UK), Pershing Securities International Limited (Ireland), Pershing (Channel Islands) Limited, Pershing Securities Canada Limited, Pershing Securities Singapore Private Limited, and Pershing India Operational Services Pvt Ltd. Pershing businesses also include Pershing X, Inc., a technology provider, and Lockwood Advisors, Inc., an investment adviser registered in the United States under the Investment Advisers Act of 1940. Pershing LLC is a member of SIPC, which protects securities customers of its members up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochure available upon request or at sipc.org. SIPC does not protect against loss due to market fluctuation. SIPC protection is not the same as, and should not be confused with, FDIC insurance.

BNY Mellon Investment Management is one of the world's leading investment management organizations and one of the top U.S. wealth managers, encompassing BNY Mellon's affiliated investment management firms and global distribution companies. Products and services may be provided under various brand names and in various countries by subsidiaries, affiliates and joint ventures of The Bank of New York Mellon Corporation where authorized and regulated as required within each jurisdiction.*

The investment products and services mentioned in this material are not insured by the FDIC (or any other state or federal agency), are not deposits of or guaranteed by any bank, and may lose value.

Insight Investment International Limited, Newton Investment Management Limited and Walter Scott & Partners Limited are authorized and regulated by the Financial Conduct Authority.

BNY Mellon Investment Advisers, Inc., Insight Investment International Limited, Insight North America LLC, Mellon Investments Corporation, Newton Investment Management Limited, Newton Investment Management North America LLC and Walter Scott & Partners Limited are SEC registered investment advisers.

ARX is the brand used to describe the Brazilian investment capabilities of BNY Mellon ARX Investimentos Ltda.

* Please note that on November 1, 2022, Franklin Templeton completed the acquisition of BNY Alcentra Group Holdings, Inc. (together with its subsidiaries, "Alcentra") from The Bank of New York Mellon Corporation.

Dreyfus is a division of Mellon Investments Corporation (MIC) and BNY Mellon Investment Adviser, Inc. (BNYMIA). When managing Dreyfus money market mutual funds, Dreyfus personnel act in their capacity as dual employees of BNYMIA, the funds' investment adviser, and members of its Dreyfus division.

Insight Investment's investment advisory services in North America are provided through two different investment advisers registered with the SEC, using the brand Insight Investment: Insight North America LLC and Insight Investment International Limited. The North American investment advisers are associated with other global investment managers that also (individually and collectively) use the corporate brand Insight Investment and may be referred to as 'Insight' or 'Insight Investment'.

The Newton Investment Management Group describes a group of affiliated companies that provide investment advisory services under the brand name "Newton" or "Newton Investment Management." Those companies include Newton Investment Management Ltd. and Newton Investment Management North America LLC.

BNY Mellon owns a 20% interest in Siguler Guff & Company, LP and certain related entities (including Siguler Guff Advisers, LLC).

All investments involve risk including loss of principal. Certain investments involve greater or unique risks that should be considered along with the objectives, fees, and expenses before investing. Past performance is not a guide to future performance of any instrument, transaction, strategy, or financial structure and a loss of original capital may occur. Calls and communications with BNY Mellon may be recorded, for regulatory and other reasons.

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

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