



The Bank of New York Mellon SA/NV
The European Bank

PILLAR 3 DISCLOSURE

June 30, 2024



		Executive summary
1	Article 431 CRR II - Disclosure requirements and policies	2
1.1	Purpose of Pillar 3	2
1.2	Article 432 CRR II - Non-material, proprietary or confidential information	3
1.3	Article 433/434 CRR II - Frequency, scope and means of disclosures	3
1.4	Scope of the European Bank	3
1.5	Organisational structure	4
1.6	Operating model	6
1.7	Core business lines	6
1.8	Article 447 CRR II - Key metrics	7
	Table 1: EU KM1 Key metrics template	8
		Capital
2	Article 437a CRR II - Own funds and eligible liabilities	10
	Table 2: EU CCA Main features of regulatory own funds instruments and eligible liabilities instruments	10
	Table 3: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	12
	Table 4: EU TLAC2 Creditor ranking - Entity that is not a resolution entity	13
		Risk
3	Article 435 CRR II - Risk management objectives and policies	13
		Appendices
	Appendix 1 - Glossary of terms	14
	Appendix 2 - CRR II references	17

Attestation Statement

The 30 June 2024 Pillar 3 Disclosure meets the relevant regulatory requirements as described in section 1 of this report and it has been prepared in accordance with the internal policies and controls in place.

As set out in section 3 of this report, the Board of Directors (the 'Board') is responsible for approving policies and procedures as may be required by law or otherwise appropriate and for reviewing The Bank of New York Mellon SA/NV's (the 'European Bank') processes for compliance with applicable laws, regulations and the internal policies including the Code of Conduct.

The disclosure was approved by the Executive Committee (the 'ExCo') of the Board of the European Bank and signed on its behalf on 24 September 2024 by:



Eric Pulinx
Chief Financial Officer and Deputy Chief Executive Officer
Member of the Executive Committee

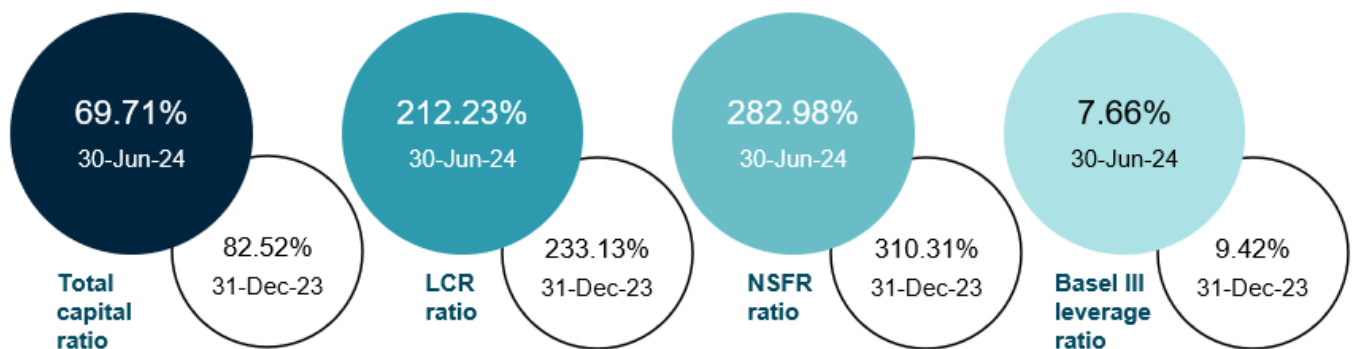
1 Article 431 CRR II - Disclosure requirements and policies

This Pillar 3 disclosure is published for the European Bank, in accordance with the disclosure principles of the National Bank of Belgium^{1,2} ('NBB'), the Capital Requirements Directive³ and the Capital Requirements Regulation⁴, complementing the annual disclosures of the financial statements.

This disclosure encompasses the European Bank and its branches as at 30 June 2024. The European Bank considers its risk management arrangements and systems are adequate with regards to its profile and strategy. This disclosure is consistent with formal policies adopted regarding production and validation.

When assessing the appropriateness of these disclosures in the application of Article 431(3) of the Capital Requirements Regulation ('CRR II'), the European Bank has ensured adherence to the principles of clarity, meaningfulness, consistency over time, and comparability across institutions.

The Basel Committee on Banking Supervision ('BCBS') requires these disclosures to be published at the highest level of consolidation. The European Bank does not have any consolidated subsidiaries therefore information is presented at an individual level which includes the key metrics below, please see Table 1: EU KM1 Key metrics template for further details.



Note: The comparatives (i.e. Dec 2023) are at a consolidated level whereas the current disclosure is at an individual level. There were no material differences in scope between consolidated and individual level. Due to rounding there may be immaterial variations between Pillar 3 and regulatory submissions.

CET1 ratio	=	CET1 capital / Pillar 1 RWAs
Tier 1 ratio	=	Tier 1 capital / Pillar 1 RWAs
Total capital ratio	=	Total capital / Pillar 1 RWAs
Leverage ratio	=	Tier 1 capital / Leverage exposure measure

1.1 Purpose of Pillar 3

The aim of the Pillar 3 disclosure is to provide market participants with accurate, comparable and comprehensive information regarding the risk profile of the European Bank. This includes key information on the scope of application, capital, risk-weighted exposures, risk management processes and remuneration, enabling users to better understand and compare its business, its risks and capital adequacy.

To that end, these Pillar 3 disclosures focus only on those risk and exposure types required for disclosure by the European bank at this disclosure date, namely a summary of key metrics alongside information relating to internal loss absorbing capacity and eligible liabilities.

Where appropriate, the disclosures also include comparatives for the prior periods and an analysis of the more significant movements to provide greater insight into the risk management practices of the European Bank and its risk profile.

In addition, the European bank's annual year-end Pillar 3 disclosures include detailed quantitative and qualitative information on exposures, risk management, governance arrangements, and remuneration policies and practices for members of staff whose activities have a material impact on the European bank's risk profile.

¹ NBB Circulars 2015_25 and 2017_25: Orientations relatives à la publication d'informations (Pilier III, CRD IV), 3 September 2015 and 2 October 2017.

² NBB Supervisory Disclosure Rules and Guidance: <https://www.nbb.be/en/financial-oversight/prudential-supervision/areas-responsibility/credit-institutions/supervisory-5>

³ Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019, amending Directive 2013/36/EU.

⁴ Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013.

1.2 Article 432 CRR II - Non-material, proprietary or confidential information

The Board may omit one or more disclosures if the information provided is not regarded as material. The criterion for materiality used in these disclosures is that the European Bank will regard as material any information where omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions.

Furthermore, the Board may omit one or more disclosures if the information provided is regarded as proprietary or confidential. Information is regarded as proprietary if disclosing it publicly would undermine the European Bank's competitive position or the competitive position of the BNY group. It may include information on products or systems which, if shared with competitors, would render investment in the European Bank or the BNY group less valuable. In such circumstance, the Board will state in its disclosures the fact that specific items of information are not disclosed and the reason for non-disclosure. In addition, it will publish more general information about the subject matter of the disclosure requirement except where this is classified as proprietary or confidential.

Pillar 3 disclosures are prepared solely to meet Pillar 3 disclosure requirements and for no other purpose. These disclosures do not constitute any form of financial statement on the business nor do they constitute any form of contemporary or forward looking record or opinion about the business. The European Bank undertakes no obligation to revise or to update any forward-looking or other statement contained within this report regardless of whether or not those statements are affected as a result of new information or future events.

1.3 Article 433/434 CRR II - Frequency, scope and means of disclosures

Disclosure is made in accordance with the requirements of Article 433a. The European Bank will publish semi-annual disclosures in line with Article 433a(2) and quarterly disclosures in line with Article 433a(3). Annual disclosures will be published on the same date on which the Annual Report and Financial Statements are made public, or as soon as possible thereafter. Quarterly disclosures will be published on the same date as the date on which any financial reports for the corresponding period are published, where applicable, or as soon as possible thereafter. The European Bank will reassess the need to publish some or all of the disclosures, including applicable content, more frequently in light of any significant change to the relevant characteristics of its business including disclosure about capital resources and adequacy, and information about risk exposure and other items prone to rapid change.

Wherever possible and relevant, the ExCo will ensure consistency between Pillar 3 disclosures, Pillar 1 reporting and Pillar 2 ICAAP ('Internal Capital Adequacy Assessment Process') content, e.g. disclosure on risk management practices and capital resources at year-end. Unless indicated otherwise, information contained within the Pillar 3 disclosure has not been subject to external audit. Due to rounding there may be immaterial variations between Pillar 3 and regulatory submissions.

The European Bank's disclosures and annual report are published on The Bank of New York Mellon corporate website which can be accessed using the link below:

[BNY Investor Relations - Pillar 3](#)

See the Additional Country Disclosures section.

1.4 Scope of the European Bank

The Pillar 3 disclosures have been produced for the European Bank on an individual basis, which includes its branches but excludes BNY Mellon AIS Nominees Limited, which is a non-consolidated subsidiary.

The European Bank is a credit institution incorporated in Belgium. It is a subsidiary of The Bank of New York Mellon, a New York banking corporation with trust powers, having its principal office in New York, which is itself a subsidiary of The Bank of New York Mellon Corporation, the ultimate parent company of the BNY Group.

BNY is a global financial services company that helps make money work for the world – managing it, moving it and keeping it safe. For 240 years we have partnered alongside our clients, putting our expertise and platforms to work to help them achieve their ambitions. Today we help over 90% of Fortune 100 companies and nearly all the top 100 banks globally access the money they need. We support governments in funding local projects and work with over 90% of the top 100 pension plans to safeguard investments for millions of individuals, and so much more. As of June 30, 2024, we oversee \$49.5 trillion in assets under custody and/or administration and \$2.0 trillion in assets under management.

The Bank of New York Mellon SA/NV (the 'European Bank')

BNY is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). We are headquartered in New York City, employ over 50,000 people globally and have been named among Fortune's World's Most Admired Companies and Fast Company's Best Workplaces for Innovators. Additional information is available on www.bny.com. Follow us on LinkedIn or visit our Newsroom for the latest company news.

The European Bank is subject to dual supervision in Belgium: for market conduct matters, supervision is exercised by the Financial Services and Markets Authority (the 'FSMA') while for prudential matters, supervision is exercised by the European Central Bank (the 'ECB') together with the National Bank of Belgium (the 'NBB'), acting as National Competent Authority, as the European Bank has been identified as a significant bank within the Single Supervisory Mechanism. In addition, the European Bank's resolution authority is the Single Resolution Board ('SRB'). The European Bank also qualifies as a Belgian custodian bank and is directly supervised by the NBB in this respect. Its nine branches are all regulated entities with banking licenses subject to local supervision by national regulators with the exception of the Poland branch (non-regulated).

Name	Type	Regulator
Amsterdam Branch	Branch	De Nederlandsche Bank ('DNB')
Copenhagen Branch	Branch	Danish Financial Supervisory Authority ('DFSA')
Dublin Branch	Branch	Central Bank of Ireland ('CBI')
Frankfurt Branch	Branch	Deutsche Bundesbank ('DB') & Federal Financial Supervisory Authority / Bundesanstalt für Finanzdienstleistungsaufsicht ('BaFin')
Luxembourg Branch	Branch	Commission de Surveillance du Secteur Financier ('CSSF')
Madrid Branch	Branch	Banco de España ('BDE')
Milan Branch	Branch	Banca D'Italia ('BI')
Paris Branch	Branch	Autorité De Contrôle Prudentiel ('ACPR'), Banque De France ('BD')
Poland Branch	Branch	Non-regulated

1.5 Organisational structure

The European Bank is a corporation with a Banking License, recognised as a custodian bank. The European Bank has its headquarters in Brussels and is a wholly owned subsidiary of The BNY Group (100% of share capital).

The European Bank provides services on a passported basis through its headquarters in Brussels and its branches in Amsterdam, Dublin, Frankfurt, Luxembourg, Milan, Madrid, Copenhagen and Paris. A non-regulated branch in Wrocław (Poland) does not benefit of the banking license and provides support to the European Bank's operations. Pursuant to the EU single market directives, the European Bank is authorised to provide financial services in the European Economic Area, being the EU 27 countries plus Iceland, Lichtenstein, and Norway. Some of those countries apply restrictions to passporting rights, in accordance with the local transpositions of the EU directives. The European Bank complies with these restrictions and adapts its operations accordingly.

History

The European Bank was established in 2008 with the aim of becoming BNY's main banking subsidiary in Continental Europe. During 2009, part of the business of the Brussels Branch of BNY was integrated into the European Bank, forming the current Brussels Head Office.

As part of BNY's strategy to consolidate its legal entity structure in Europe, the European Bank acquired branches in Amsterdam, London, Frankfurt and Luxembourg further to the merger with BNY Mellon GSS Acquisition Co. (Netherlands) BV on October 1, 2009.

On June 1, 2011, further to the merger with The Bank of New York Mellon's acquired German subsidiary, BNY Mellon Asset Servicing GmbH, the European Bank significantly expanded the activities of its Frankfurt branch and Frankfurter Service KapitalverwaltungsGesellschaft mbH became the European Bank's fully owned subsidiary under the name of BNY Mellon Service Kapitalanlage-Gesellschaft mbH (BNY KVG). On December 1, 2011, the European Bank opened a branch in Paris.

On February 1, 2013, the European Bank opened a new branch in Dublin as a result of the cross-border merger with The Bank of New York Mellon (Ireland) Limited.

The Bank of New York Mellon SA/NV (the 'European Bank')

An additional branch in Milan was created on April 1, 2017 as a result of the merger of The Bank of New York Mellon (Luxembourg) S.A. into the European Bank.

On 29 November 2019 the European Bank merged with BNY Mellon Trust Company (Ireland) Limited.

On 1 December 2020 the Copenhagen representative office was converted into the European Bank's Copenhagen Branch. The European Bank's commitment to this region was enhanced with the subsequent acquisition of Nykredit's depositary business effective on 1 November 2021. This was followed by the conversion of the Madrid representative office into the European Bank's Madrid Branch on 1 February 2021. This provides an enhanced level of service and support to clients in Denmark, Spain and the wider Nordics and Iberian regions, by offering innovative solutions and providing access to BNY's global capabilities. Prior to conversion, Copenhagen was a representative office of the European Bank whilst Madrid was a representative office of BNY Mellon Institutional Bank.

As of December 21, 2022, approval was granted from the European Bank's Executive Committee, the Branch Management of the Frankfurt Branch of the European Bank, the Supervisory Board of the KVG and the Board of Directors of the KVG for the sale of the Legal KVG business to a third party. The transfer of the business took place on 1 February 2024.

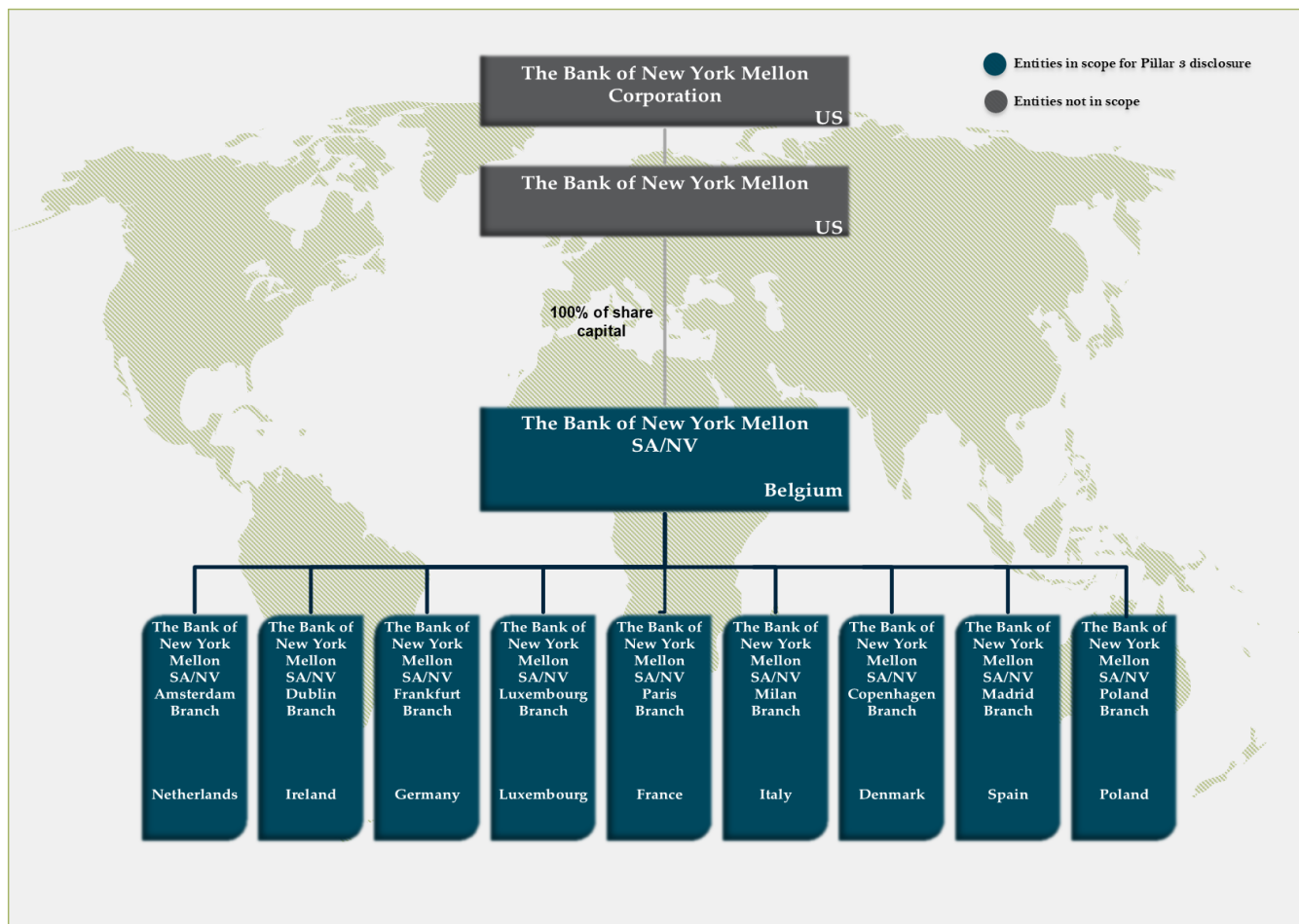
To support future growth, a non-regulated, non-contracting and non-deposit taking branch was opened in the first quarter of 2023 in Wrocław (Poland). Conversely, on the 4th July 2023 the European Bank's London Branch received local regulatory confirmation of the removal of licenses.

Supervision

Effective November 4, 2014, the ECB as part of Single Supervisory Mechanism ('SSM') became the principal regulator for the European Bank along with the NBB. The European Bank is also supervised by the FSMA which is responsible for the integrity of the financial markets and fair treatment of financial consumers in Belgium pursuant to the Act of 2 August 2002 on the supervision of the financial sector and on financial services.

On November 20, 2015, the European Bank is also licensed as a Custodian Bank by the NBB pursuant to article 36/26/1, § 6, of the Law of 22 February 1998 establishing the Organic Statute of the National Bank of Belgium.

Figure 1: The European Bank's legal entity structure at 30 June 2024



Note: The European Bank's non-consolidated subsidiary BNYM AIS Nominees Limited is not shown.

1.6 Operating model

The Operating Model refers to how BNY collaborates, organises and manages its business with a focus on optimising the balance sheet, driving efficiencies and enabling growth. It also describes the operations and technology which enables businesses to serve clients. The model has evolved and covers 5 key areas: Banking and other entities (which includes the EMEA Operating Model Programme or Three-Bank-Model), Governance & Accountability, Booking and Solicitation Practices, Resilience - Operations and Technology, and FX Trading. Furthermore, regulatory change has been a large component of the change agenda and will continue to be so with a large number of regulatory change initiatives in execution mode as well as on the horizon. Digital and data initiatives are also key to the European Bank's strategy.

Banking and other Entities (EMEA Operating Model Programme) - This has been a major strategic initiative for BNY in the EMEA region over the past few years rationalising its legal entity structure to a three bank model, establishing a dual sub-custody network and aligning clients to the appropriate legal entity and network.

Governance & Accountability - In close consultation with the European Central Bank, BNY have been particularly focused on strengthening the governance and accountability within the European Bank. Senior leadership has been engaged in a governance and accountability review related to the reporting line structure, aimed at meeting regulatory expectations as well as those of our clients and other stakeholders.

Booking and Solicitation Practices - Booking Principles are BNY's approach to guide the booking of business to the appropriate legal entity for each client's domicile and product considering local rules, licenses, permissions and product infrastructure. The European Bank is guided as the main booking entity (where possible) for EU domiciled clients. Any proposed booking for non-EU jurisdictions would be subject to the relevant conditions and restrictions from the applicable third country regime for regulated activity. Booking Principles are maintained by the lines of business and centrally coordinated through a First Line of Defense Controls Framework.

Resilience – Operations and Technology - The European Bank is documenting its detailed Technology Strategy in a distinct document and this will be developed alongside and in close alignment with the European Bank's Business Strategy and the Enterprise Technology Strategy.

FX Trading - "ECB supervisory expectations on booking models" requires that a percentage of the risk generated from the 27 European Union countries (the 'EU27') client FX flow be risk managed within the European Bank; and that the European Bank can no longer rely on a 100% back to back booking model to the BNY Institutional Bank (the 'BNY IB'). Pursuant to this, the European Bank set up an FX trading desk within its Frankfurt branch to end the reliance on a 100% back to back BNY IB booking model. This FX Trading desk is now risk managing the majority of the EU27 client flow within the European Banking entity.

1.7 Core business lines

With activities focussed on Asset Servicing, Issuer Services, Clearance and Collateral Management, Markets and Treasury Services, the European Bank has a number of core business lines. Its main activity is Asset Servicing, which is provided both to third party and to internal clients within BNY, the European Bank provides these products to its international client base. European Bank clients contract with the European Bank for all of the below services except Depositary Receipt Services and Treasury Services. For Depositary Receipt Services, the European Bank only provides these to other legal entities within BNY. For Treasury Services, the European Bank is providing relationship management services in its Brussels headquarters and Frankfurt, Madrid, Milan and Paris branches for clients contracting with The Bank of New York Mellon.

Line of business	Description
Asset Servicing & Digital ('AS')	Asset Servicing & Digital primarily comprises Custody Services but also includes Trustee & Depositary Services, Institutional Accounting, Fund Accounting, Transfer Agency Services, Middle Office Solutions, Alternative Investments Services, Global Risk Solutions, and Retail Investment Solutions
Treasury Services	The European Bank provides Relationship Management and Business Development, Global Client Support and Global Product Management Support.
Issuer Services	
Corporate Trust ('CT')	The European Bank offers Corporate Trust Services, acting in a broad range of agency roles including, but not limited to: registrar, issuing and paying agent, common depository, exchange agent, custodian and collateral / portfolio administration.

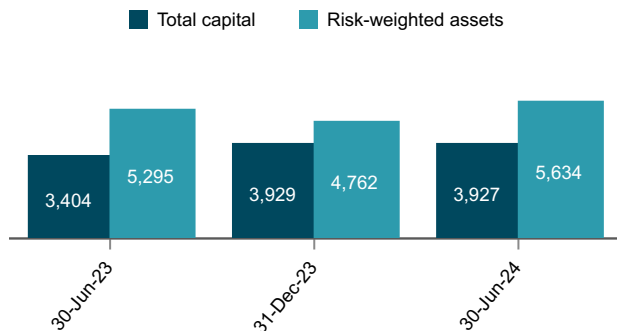
The Bank of New York Mellon SA/NV (the 'European Bank')

Line of business	Description
Depository Receipt Services	The European Bank's Dublin Branch performs certain operational activities relating to Depository Receipts, predominantly issuance and cancellation. Depository Receipts facilitate cross-border investment solutions for companies and investors. They are negotiable financial securities issued by a bank to represent foreign companies' publicly traded securities, allowing them to have their stocks traded in foreign markets.
Clearance and Collateral Management	
International Collateral Management	The European Bank acts as tri-party agent to collateral providers and receivers for collateral management transactions including, but not limited to, tri-party repo, securities lending and pledge transactions.
International Clearance	International Clearance provides settlement and custody services for fixed- income and equity securities.
Markets	
Liquidity Services and Segregation	The European Bank provides liquidity services (cash balances, reporting and, purchase and redemption of money market instruments), margin management services, segregation and valuation services, and collateral administration.
Foreign Exchange ('FX')	The European Bank provides foreign exchange services, which enable clients to achieve their investment, financing and cross-border objectives.
Securities Finance	The European Bank provides standard agency lending including Third Party lending; cash collateral reinvestment and agency investment products.

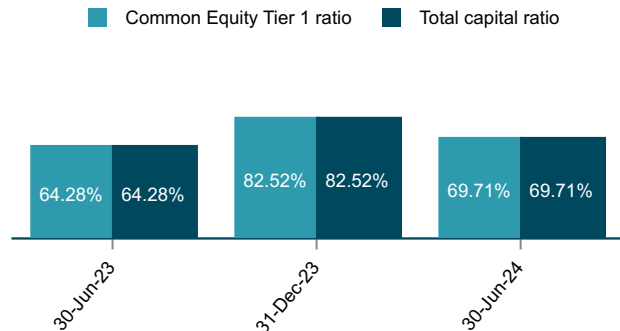
1.8 Article 447 CRR II - Key metrics

The following key metrics reflect the European Bank's risk profile. Note that prior disclosures were made on a consolidated basis whereas current disclosures are made on an individual basis following the merger of BNY KVG into the European Bank. There were no material differences between consolidated and individual scope. Therefore, comparatives have not been restated.

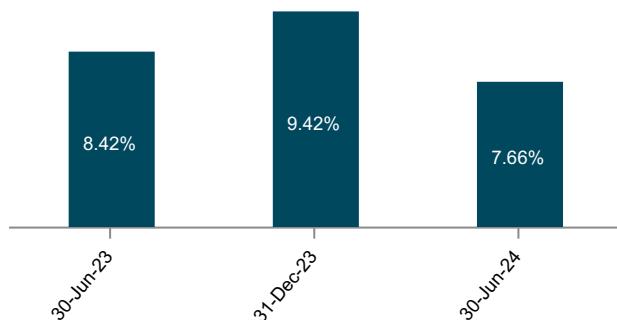
Regulatory capital and Risk-weighted assets (€m)



Capital ratios



Leverage ratio



Liquidity ratios

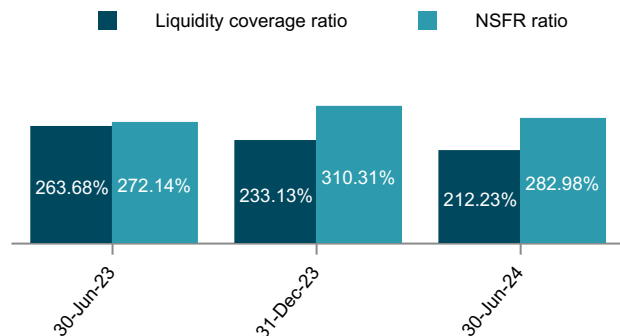


Table 1: EU KM1 Key metrics template

(€m)	30-Jun-24	31-Dec-23	30-Jun-23
Available own funds			
1 Common Equity Tier 1 ('CET1') capital	3,927	3,929	3,404
2 Tier 1 capital	3,927	3,929	3,404
3 Total capital	3,927	3,929	3,404
Risk-weighted exposure amounts			
4 Total risk-weighted exposure amount	5,634	4,762	5,295
Capital ratios (as a percentage of risk-weighted exposure amount)			
5 Common Equity Tier 1 ratio (%)	69.71 %	82.52 %	64.28 %
6 Tier 1 ratio (%)	69.71 %	82.52 %	64.28 %
7 Total capital ratio (%)	69.71 %	82.52 %	64.28 %
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount) ¹			
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.95 %	2.10 %	2.10 %
EU 7b of which: to be made up of CET1 capital (percentage points)	1.10 %	1.18 %	1.18 %
EU 7c of which: to be made up of Tier 1 capital (percentage points)	1.46 %	1.58 %	1.58 %
EU 7d Total SREP own funds requirements (%)	9.95 %	10.10 %	10.10 %
Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8 Capital conservation buffer (%)	2.50 %	2.50 %	2.50 %
EU 8a Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	— %	— %	— %
9 Institution specific countercyclical capital buffer (%)	0.84 %	0.56 %	0.49 %
EU 9a Systemic risk buffer (%)	— %	— %	— %
10 Global Systemically Important Institution buffer (%)	— %	— %	— %
EU 10a Other Systemically Important Institution buffer (%)	0.75 %	0.75 %	0.75 %
11 Combined buffer requirement (%)	4.09 %	3.81 %	3.74 %
EU 11a Overall capital requirements (%)	14.04 %	13.91 %	13.84 %
12 CET1 available after meeting the total SREP own funds requirements (%)	59.76 %	72.42 %	54.18 %
Leverage ratio			
13 Total exposure measure	51,301	41,711	40,420
14 Leverage ratio (%)	7.66 %	9.42 %	8.42 %
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)			
EU 14a Additional own funds requirements to address the risk of excessive leverage (%)	— %	— %	— %
EU 14b of which: to be made up of CET1 capital (percentage points)	—	—	—
EU 14c Total SREP leverage ratio requirements (%)	3.00 %	3.00 %	3.00 %
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
EU 14d Leverage ratio buffer requirement (%)	— %	— %	— %
EU 14e Overall leverage ratio requirement (%)	3.00 %	3.00 %	3.00 %
Liquidity Coverage Ratio			
15 Total high-quality liquid assets (Weighted value - average)	27,696	25,438	26,471
EU 16a Cash outflows - Total weighted value	20,880	18,743	18,737
EU 16b Cash inflows - Total weighted value	7,566	7,596	8,534
16 Total net cash outflows (adjusted value)	13,314	11,147	10,203
17 Liquidity coverage ratio (%)	212.23 %	233.13 %	263.68 %
Net Stable Funding Ratio			
18 Total available stable funding	15,241	14,085	13,651
19 Total required stable funding	5,386	4,539	5,016
20 NSFR ratio (%)	282.98 %	310.31 %	272.14 %

Note: Capital, leverage and NSFR ratios include annual profit at December reporting points. Due to rounding there may be immaterial variations between Pillar 3 and regulatory submissions.

¹ Represents the European Bank's Pillar 2 additional capital requirement.

Pillar 1 CET1 ratio (4.5%) plus Pillar 2 requirement CET1 ratio (1.10%).
 Pillar 1 Tier 1 ratio (6%) plus Pillar 2 requirement Tier 1 ratio (1.46%).
 TSCR CET1 ratio (5.60%) plus the combined buffer (4.09%).
 TSCR Tier 1 ratio (7.46%) plus the combined buffer (4.09%).
 OCR CET1 ratio (9.69%) plus Pillar 2 guidance (2.25%).
 OCR T1 ratio (11.56%)¹ plus Pillar 2 guidance (2.25%).

¹ Subject to rounding.

Key External Factors Influencing the European Bank

At the end of June 2024 the European Bank's Regulatory Own Funds saw an increase of €14 million on the March 2024 position. Risk weighted assets also increased by €482 million largely due to credit risk drivers, which collectively resulted in a decrease in the European Bank's capital ratio by 6.2% points. Note these variations are both at an individual institution level.

Overall, for the year to June 2024, the European Bank's Regulatory Own Funds has remained broadly static. Risk weighted assets increased by approximately €872 million mainly due to increases in exposures to corporates, institutions and other assets. Overall, this resulted in a 12.8% decrease in the European Bank's capital ratio. Note these variations are based on the previous disclosure being at a consolidated level and the current disclosure at an individual level. There are no material differences between consolidated and individual scope.

At the end of June 2024, the spot Balance Sheet amounts to €47.8 billion, representing a €8.2 billion increase on December 2023. The main drivers of the year to date increase on the liabilities side were higher Intercompany Deposits of €4.4 billion and higher Third Party Deposits of €3.2 billion. Other notable variances in the Liabilities included Repo transactions and Equity, both up €0.4 billion and €0.2 billion. This was partly offset by lower Other Liabilities of €0.1 billion with the balance represented by more minor variations.

On the asset side, the increase is mainly due to higher Intercompany Nostro & Placements of €4.1 billion, with the Investment Securities portfolio also up €3.8 billion. Other material movements in the asset side are Reverse Repo transactions up €1.6 billion, Third Party Nostros up €0.6 billion, and Overdrafts & Advances up €0.4 billion. This was partly offset by lower Central Bank Placements and Other Assets of €2.1 billion and €0.1 billion respectively, with the balance represented by more minor variations.

The European Bank's pre-tax income amounted to €228.1 million as at 30 June 2024, up €27.6 million compared to the equivalent period from the prior year. The main driver for the increase was higher Net Interest Income of €27.9 million due to favourable rate increases on EUR and USD currencies and as well volume increases. Fee and Commission Income was also higher by €24.7 million mainly due to Asset Servicing revenue, while Other Income is also up by €15.7 million primarily due to non-repeat of the Single Resolution Fund Contribution. However this was offset by lower Net Intercompany Fees of €25.4 million, higher Personnel Expenses of €8.6 million and Subcustodian fees of €3.9 million. ADR revenue also decreased by moderately due to lower volumes.

BNY is well-positioned against competition thanks to BNY Group's legal entities rationalisation strategy. BNY has a unique selling proposition that fits the needs of our clients, with the European Bank positioned as the Group's 'European Bank'.

Business Evolution in 2024

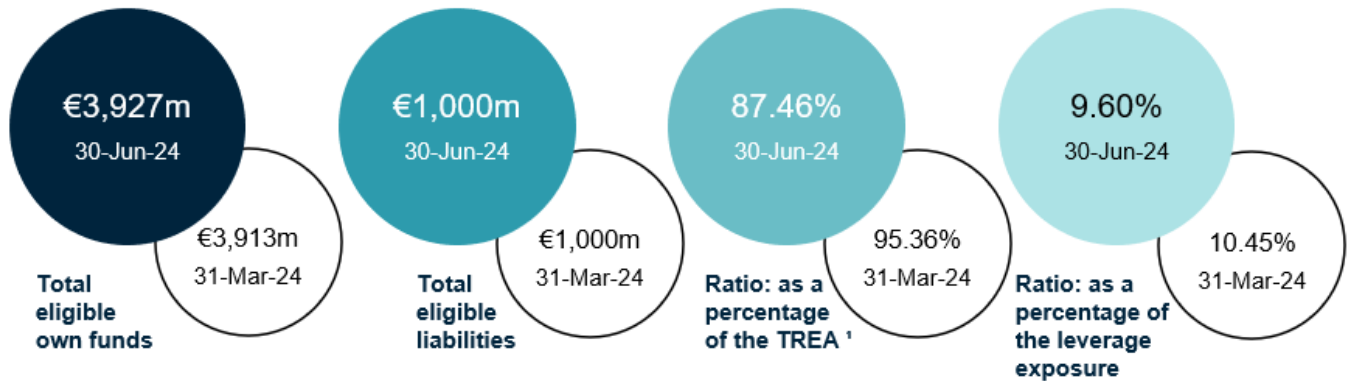
As of 1 January 2024 and per the supervisory decision, the European Bank's Pillar 2 requirements reduced from 2.10% to 1.95%, with the Pillar 2 guidance also reducing from 2.50% to 2.25%.

On 1 February 2024, the European Bank's subsidiary, BNY KVG, merged with the European Bank and continues its activity in the Frankfurt Branch of the European bank. Consequently, the European Bank's Pillar 1 regulatory reporting is now submitted on an individual basis. As a result, the table EU TLAC2 is disclosed for the first time from Q2 in accordance with Article 433a(3) of CRR II.

This is an important step in the evolution of the European Bank. It is also a key enabler of helping to run our company better, by simplifying our legal entity structure and realigning the German operating model to the operating model of the European Bank. The move will also ensure we are well positioned to deliver more for our existing clients – German Fund Accounting and AIS Real Estate clients are now being serviced by the Frankfurt Branch of the European Bank. The Frankfurt branch will also take on a small and closed book of retail custody business (Retail Investment Solutions).

Looking towards the near term, the next iteration of Capital Requirements Regulation reforms will be effective from 2025 ('CRR III'). Within CRR III, disclosure elements relating to the Own Funds requirement, CVA, Crypto Assets, Operational Risk, the Market Risk Alternative Standardised Approach ('MKR-ASA'), and ESG related disclosures, will also become binding on a phased approach. The European Bank continues to prepare and monitor for updates in relation to CRR III. Additionally, revisions to the disclosure requirements of MREL/TLAC have taken effect from June 2024.

2 Article 437a CRR II - Own funds and eligible liabilities



¹ Total Risk Exposure Amount.

This section provides an overview of the composition of the European Bank's regulatory capital and eligible liabilities.

Own Funds comprise tier 1 capital less deductions. The European Bank's regulatory capital is defined by CRD V and includes Common Equity Tier 1 capital which is the highest quality form of regulatory capital under Basel III comprising common shares issued and related share premium, retained earnings and other reserves excluding the cash flow hedging reserve, less specified regulatory adjustments.

Composition of regulatory capital

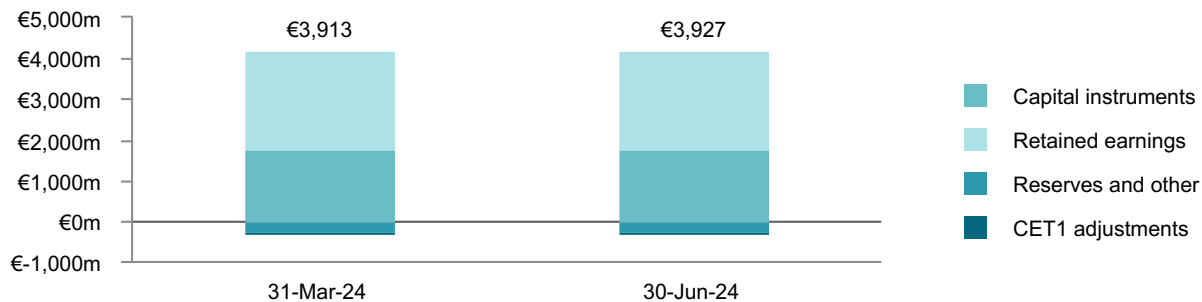


Table 2: EU CCA Main features of regulatory own funds instruments and eligible liabilities instruments

The full terms and conditions of all Common Equity Tier 1 capital instruments can be found in the most recent annual Pillar 3 disclosure published on the corporate website, accessible via the link below, beneath the additional country disclosures sub heading:

[BNY Investor Relations - Pillar 3](#)

This table provides a description of the main features of the European Bank's regulatory instruments issued and eligible liabilities as at 30 June 2024 in accordance with Annex VII of Regulation (EU) No. 575/2013.

Main features of reg capital instruments		Ordinary Shares	Eligible Liabilities
1	Issuer	The Bank of New York Mellon SA/NV	The Bank of New York Mellon SA/NV
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A
2a	Public or private placement	N/A	N/A
3	Governing law(s) of the instrument	Belgian law	Belgian law
3a	Contractual recognition of write down and conversion powers of resolution authorities	No	Yes
Regulatory treatment			
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	N/A
5	Post-transitional CRR rules	Common Equity Tier 1	Eligible liabilities
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo	Solo
7	Instrument type	Ordinary Shares	Subordinated

The Bank of New York Mellon SA/NV (the 'European Bank')

Main features of reg capital instruments		Ordinary Shares	Eligible Liabilities
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	€ 1,754	€ 1,000
9	Nominal amount of instrument	€ 1,754	€ 1,000
EU-9a	Issue price	€ 1,038.50	N/A
EU-9b	Redemption price	N/A	N/A
10	Accounting classification	Shareholders' equity	Liability - amortised cost
11	Original date of issuance	30-September-2008 ²	28-March-2022
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	No maturity	25-March-2032
14	Issuer call subject to prior supervisory approval	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	See footnote 2
16	Subsequent call dates, if applicable	N/A	N/A
Coupons / dividends			
17	Fixed or floating dividend/coupon	N/A	Fixed
18	Coupon rate and any related index	N/A	2.75 %
19	Existence of a dividend stopper	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	N/A
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	N/A
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	N/A	N/A
23	Convertible or non-convertible	Non-convertible	Convertible
24	If convertible, conversion trigger(s)	N/A	Bail-in power by the relevant resolution authority (Single Resolution Board)
25	If convertible, fully or partially	N/A	Fully or Partially
26	If convertible, conversion rate	N/A	To determine in conversion
27	If convertible, mandatory or optional conversion	N/A	Optional
28	If convertible, specify instrument type convertible into	N/A	Common Equity Tier 1 or other instruments
29	If convertible, specify issuer of instrument it converts into	N/A	The Bank of New York Mellon SA/NV
30	Write-down features	No	Yes
31	If write-down, write-down trigger(s)	N/A	Bail-in power by the relevant resolution authority (Single Resolution Board)
32	If write-down, full or partial	N/A	Fully or Partially
33	If write-down, permanent or temporary	N/A	Permanent
34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	Contractual
EU-34b	Ranking of the instrument in normal insolvency proceedings	1	4
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A	Common Equity Tier 1
36	Non-compliant transitioned features	N/A	N/A
37	If yes, specify non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	Appendix 4	Available on request

¹ Since the original date of issuance the European Bank has issued further ordinary shares to the amount currently listed in regulatory capital.

² Optional redemption may occur should a change in Belgian and or EU laws or regulations render the loan ineligible for meeting MREL/TLAC requirements, or upon occurrence of a tax event which either prevents payment of interest due and or increases the amount due. Redemption is in whole, not in part.

The Bank of New York Mellon SA/NV (the 'European Bank')

Table 3: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs

In accordance with the requirements of Article 92b of Regulation (EU) No 575/2013, the table below and on the following page shows the European Bank's minimum requirement for eligible liabilities, being a material subsidiary of a non-EU G-SII. Following the merger of the KVG subsidiary, this table is now disclosed on an individual basis.

The European Bank is not classified as a resolution entity but carries an eligible liability of €1 billion as defined by Article 45 to 45i of Directive (EU) No 2014/59, being the total amount of that issuance.

Internal TLAC requirements are based on a fully loaded target applicable as of 1 January 2022: 90% of 18% RWA and 6.75% Leverage Ratio Exposure, whichever is higher. The European Bank complies with the current target levels for iMREL and iTLAC.

At 30 June 2024 (€m)	Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII Requirement for own funds and eligible liabilities (internal TLAC)	Qualitative information
Applicable requirement and level of application			
EU-1 Is the entity subject to a non-EU G-SII requirement for own funds and eligible liabilities? (Y/N) If EU-1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			Y I
EU-2a Is the entity subject to an internal MREL? (Y/N) If EU-2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			Y I
Own funds and eligible liabilities			
EU-3 Common Equity Tier 1 capital (CET1)	3,927	3,927	
EU-4 Eligible Additional Tier 1 capital	—	—	
EU-5 Eligible Tier 2 capital	—	—	
EU-6 Eligible own funds	3,927	3,927	
EU-7 Eligible liabilities	1,000	1,000	
EU-8 of which permitted guarantees	—		
EU-9a (Adjustments)	—		
EU-9b Own funds and eligible liabilities items after adjustments	4,927	4,927	
Total risk exposure amount and total exposure measure			
EU-10 Total risk exposure amount (TREA)	5,634	5,634	
EU-11 Total exposure measure (TEM)	51,301	51,301	
Ratio of own funds and eligible liabilities			
EU-12 Own funds and eligible liabilities as a percentage of the TREA	87.46 %	87.46 %	
EU-13 of which permitted guarantees			
EU-14 Own funds and eligible liabilities as a percentage of the TEM	9.60 %	9.60 %	
EU-15 of which permitted guarantees	— %		
EU-16 CET1 (as a percentage of the TREA) available after meeting the entity's requirements	46.26 %	46.26 %	
EU-17 Institution-specific combined buffer requirement		4.09 %	
Requirements			
EU-18 Requirement expressed as a percentage of the TREA	23.45 %	16.20 %	
EU-19 of which part of the requirement that may be met with a guarantee	— %		
EU-20 Requirement expressed as percentage of the TEM	6.00 %	6.075 %	
EU-21 of which part of the requirement that may be met with a guarantee	— %		
Memorandum items			
EU-22 Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No 575/2013		42,359	

Note: Due to rounding there may be immaterial variations between Pillar 3 and regulatory submissions.

In comparison to March 2024, the European Bank's Own Funds position increased due to variations in unrealised losses. Similarly, the Total Risk Exposure Amount ('TREA') increased mostly due to credit risk drivers, collectively resulting in a 7.90% point decrease in the own funds and eligible liabilities ratio as a percentage of the TREA. The Total Exposure Measure ('TEM') increased, which when considered with the moderate increase in Own Funds resulted in a limited movement in the eligible liabilities ratio as a percentage of TEM, down 0.85% points. CET1 available after complying with MREL targets is consequently influenced by variations in TREA, TEM, and Own Funds. The underlying components of excluded liabilities varied over the quarter with the net effect being an increase of 11% points, broadly in line with balance sheet variation. Overall, excluded liabilities increased by €4.2 billion with sight deposits and short term deposits being the main driver. Prior disclosures were at a consolidated level whereas the current disclosure is at an individual level.

Table 4: EU TLAC2 Creditor ranking - Entity that is not a resolution entity

In accordance with the requirements of Article 437a(b) of Regulation (EU) No 575/2013, on the table below shows the ranking of the European Bank's eligible liabilities in the creditor hierarchy.

At 30 June 2024 (€m)	Insolvency ranking				Sum of 1 to n
	1	4	6	6	
	(Most junior)		(Most senior)	(Most senior)	
	Resolution entity	Resolution entity	Resolution entity	Other	
1 Empty set in the EU					
2 Description of insolvency rank (free text)	Common Equity	Other instruments	Other ordinary	Other ordinary	
3 Liabilities and own funds	3,971	1,000	8,168	32,283	45,422
4 of which excluded liabilities	—	—	8,106	32,080	40,186
5 Liabilities and own funds less excluded liabilities	3,971	1,000	62	203	5,236
6 Subset of liabilities and own funds less excluded liabilities that are own funds and eligible liabilities for the purpose of [choose as appropriate: internal MREL/internal TLAC]	3,971	1,000	—	—	4,971
7 of which residual maturity ≥ 1 year < 2 years	—	—	—	—	—
8 of which residual maturity ≥ 2 year < 5 years	—	—	—	—	—
9 of which residual maturity ≥ 5 years < 10 years	—	1,000	—	—	1,000
10 of which residual maturity ≥ 10 years, but excluding perpetual securities	—	—	—	—	—
11 of which perpetual securities	3,971	—	—	—	3,971

Note: Due to rounding there may be immaterial variations between Pillar 3 and regulatory submissions. Selected non-applicable columns have not been shown.

Risk

3 Article 435 CRR II - Risk management objectives and policies

Given the critical role that BNY plays supporting clients and its status as a Global Systemically Important Financial Institution ('G-SIFI'), while the European Bank is an Other Systemically Important Financial Institution ('O-SIFI'), the financial stability of all of its constituent legal entities, throughout market cycles and especially during periods of market turbulence, is recognised at a BNY group level as an imperative. Clients and market participants need to have confidence that all of BNY's legal entities will remain strong, continue to deliver operational excellence and maintain an uninterrupted service. Therefore, the European Bank and the BNY group as a whole are committed to maintaining a strong balance sheet and, as a strategic position, assumes less risk than many financial services companies.

Whilst BNY assumes less balance sheet risk than most financial services companies, it does exhibit other types of risk as a result of its business model. As a consequence, BNY has developed an enterprise risk management programme that is designed to ensure that:

- risk appetite principles are incorporated into its strategic decision making processes;
- risk limits are in place to govern its risk-taking activities across all businesses and risk types;
- monitoring and reporting of key risk metrics to senior management and the board takes place; and,
- there is a capital planning process which incorporates both economic capital modelling and a stress testing programme.

For more information regarding the European Bank's risks, its risk management objectives, policies, and its risk statement please refer to the most recent annual Pillar 3 disclosure published on The Bank of New York Mellon corporate website, accessible via the link below:

[BNY Investor Relations - Pillar 3](#)

Appendix 1 - Glossary of terms

The following acronyms are a range of terms which may be used in BNY EMEA Pillar 3 disclosures:

Acronym	Description	Acronym	Description
ABS	Asset-Backed Securities	CSD	Client Service Delivery
ACPR	Autorite de Controle Prudentiel et de Resolution	CSSF	Commission de Surveillance du Secteur Financier
AFR	Available Financial Resources	CSTC	Capital and Stress Testing Committee
AIF	Alternative Investment Fund	CT	Corporate Trust
ALCO	Asset and Liability Committee	CTS	Client Technology Solutions
ALM	Asset Liability Management	DB	Deutsche Bank
AML	Anti-Money Laundering	DNB	De Nederlandsche Bank
AS	Asset Servicing	DVP	Delivery versus Payment
AT1	Additional Tier 1	EAD	Exposure at default
AUC	Assets Under Custody	EC	European Commission
BAC	Business Acceptance Committee	ECL	Expected Credit Losses
BAU	Business as usual	ECAP	Economic Capital
BaFin	Federal Financial Supervisory Authority / Bundesanstalt für Finanzdienstleistungsaufsicht	ECB	European Central Bank
BDAS	Broker-Dealer and Advisory Services	ECM	Embedded Control Management
BDF	Banque De France	EEC	EMEA Executive Committee
BEMCO	Belgium Management Council	EHQLA	Extremely High Quality Liquid Assets
BI	Banca D'Italia	EMEA	Europe, Middle East and Africa
BNY	The Bank of New York Mellon Corporation	ERGC	EMEA Remuneration Governance Committee
BNY SA/NV	The Bank of New York Mellon SA/NV	ESRMC	EMEA Senior Risk Management Committee
BNY TDUKL	BNY Mellon Trust & Depositary (UK) Limited	EU	European Union
BNYIFC	BNY International Financing Corporation	EUR	Euro
BRC	Business Risk Committee	EWI	Early Warning Indicators
CASS	Client Asset Sourcebook Rules	ExCo	Executive Committee
CBI	Central Bank of Ireland	FCA	Financial Conduct Authority
CCF	Credit Conversion Factor	FMUs	Financial market utilities
CEO	Chief Executive Officer	FRS	Financial Reporting Standard
CEF	Critical Economic Function	FSMA	Financial Services and Markets Authority
CET1	Common Equity Tier 1	FX	Foreign Exchange
CGB	CASS Governance Body	G-SIFI	Global Systemically Important Financial Institution
CIS	Collective Investment Scheme	GCA	Global Custody Agreement
CMA	Capital Market Authority	GSP	Global Securities Processing
COC	Compensation Oversight Committee	HQLA	High Quality Liquid Assets
COOC	CASS Operational Oversight Committee	HRCC	Human Resources Compensation Committee
COREP	Common Reporting	IAS	International Accounting Standards
CQS	Credit Quality Steps	IASB	International Accounting Standards Board
CRD	Capital Requirements Directive	ICA	Internal Capital Assessment
CRM	Credit Risk Mitigation	ICAAP	Internal Capital Adequacy Assessment Process
CROC	Credit Risk Oversight Committee	ICRC	Incentive Compensation Review Committee
CRR	Capital Requirements Regulation	IFRS	International Financial Reporting Standards
		ILAAP	Internal Liquidity Adequacy Assessment Process
		ILG	Individual Liquidity Guidance

The Bank of New York Mellon SA/NV (the 'European Bank')

Acronym	Description
IRRBB	Interest Rate Risk on Banking Book
IMMS	International Money Management System
ISDA	International Swaps and Derivatives Association
ISM	Investment Services and Markets
IT	Information Technology
KRI	Key Risk Indicator
KYC	Know your customer
LCR	Liquidity Coverage Ratio
LERO	Legal Entity Risk Officer
LOB	Line of Business
LOD	Line of Defense
MiFID II	Markets in Financial Instruments Directive II
MNA	Master netting agreements
MRMG	Model Risk Management Group
MRT	Material Risk Taker
NAV	Net Asset Value
NBB	National Bank of Belgium
Nomination & ESGCo	Nomination and Environmental Social Governance Committee
NSFR	Net Stable Funding Ratio
O-SII	Other systemically important institution
OCI	Other Comprehensive Income
OEICs	Open-ended Investment Companies
ORMF	Operational Risk Management Framework
ORSA	Operational Risk Scenario Analysis
P/L	Profit and Loss
PFE	Potential Future Exposure
PRA	Prudential Regulatory Authority
RAS	Risk Appetite Statement
RCoB	Risk Committee of the Board
RCSA	Risk and Control Self-Assessment
RM	Risk Manager
RMC	Risk Management Committee
RMP	Risk Management Platform
RRP	Recovery and Resolution Planning
RW	Risk-weight
RWA	Risk Weighted Assets
SA	Standardised Approach
SFT	Security Financing Transaction
SLD	Service Level Description
SREP	Supervisory review and evaluation process
SRO	Senior Risk Officer
T&D	Trust & Depositary
T1 / T2	Tier 1 / Tier 2
TCR	Total Capital Requirements
TRC	Technology Risk Committee
TLAC	Total Loss-Absorbing Capacity

Acronym	Description
UCITS	Undertakings for Collective Investment in Transferable Securities
VaR	Value-at-Risk
	The following terms may be used in this document:
	Ad valorem: Method for charging fees according to the value of goods and services, instead of by a fixed rate, or by weight or quantity. Latin for [according] to value
	Basel III: The capital reforms and introduction of a global liquidity standard proposed by the Basel Committee on Banking Supervision ('BCBS') in 2020
	BIPRU: Prudential sourcebook for banks, building societies and investment firms
	Brexit: The United Kingdom's referendum decision to leave the EU
	CRD V: On 27 June 2013, the European Commission first published, through the Official Journal of the European Union, its legislation for a Capital Requirements Directive ('CRD') and Capital Requirements Regulation ('CRR'), which together form the CRD package. The package implements the Basel III reforms in addition to the inclusion of new proposals on sanctions for non-compliance with prudential rules, corporate governance and remuneration. The latest iteration, CRD V & CRR II, applies from 28 June 2021 onwards, with certain requirements set to be phased in
	Capital Requirements Directive ('CRD'): A capital adequacy legislative package issued by the European Commission and adopted by EU member states
	Capital Requirements Regulation ('CRR'): Regulation that is directly applicable to anyone in the European Union and is not transposed into national law
	Common Equity Tier 1 capital: The highest quality form of regulatory capital under Basel III comprising common shares issued and related share premium, retained earnings and other reserves excluding the cash flow hedging reserve, less specified regulatory adjustments
	Core Tier 1 capital: Called-up share capital and eligible reserves plus equity non-controlling interests, less intangible assets and other regulatory deductions
	Credit risk mitigation ('CRM'): A technique to reduce the credit risk associated with an exposure by application of credit risk mitigants such as collateral, guarantees and credit protection
	Derivatives: A derivative is a financial instrument that derives its value from one or more underlying assets, for example bonds or currencies
	Exposure: A claim, contingent claim or position which carries a risk of financial loss
	Exposure at default ('EAD'): The amount expected to be outstanding, after any credit risk mitigation, if and when a counterparty defaults. EAD reflects drawn balances as well as allowance for undrawn amounts of commitments and contingent exposures over a one-year time horizon
	Financial Conduct Authority ('FCA'): The Financial Conduct Authority regulates the conduct of financial firms and, for certain firms, prudential standards in the UK. It has a strategic objective to ensure that the relevant markets function well
	Risk Identification ('Risk ID'): An assessment of the quality of controls in place to mitigate risk and residual risk. Residual risk is assessed as high, moderate to high, moderate, moderate to low and low with direction anticipated
	Investment Firms Directive ('IFD'): A capital adequacy legislative package issued by the European Commission and adopted by EU member states calibrated to Investment Firms

The Bank of New York Mellon SA/NV (the 'European Bank')

Investment Firms Regulation ('IFR'): Regulation that is directly applicable to anyone in the European Union in respect of the application of IFD

Institutions: Under the Standardised Approach, institutions are classified as credit institutions or investment firms

Internal Capital Adequacy Assessment Process ('ICAAP'): The group's own assessment of the levels of capital that it needs to hold through an examination of its risk profile from regulatory and economic capital viewpoints

ISDA Master Agreement: A document that outlines the terms applied to a derivatives transaction between two parties. Once the two parties have agreed to the standard terms, they do not have to renegotiate each time a new transaction is entered into

Key Risk Indicator ('KRI'): Key Risk Indicators are used by business lines to evaluate control effectiveness and residual risk within a business process

Master Netting Agreement: An agreement between two counterparties that have multiple contracts with each other that provides for the net settlement of all contracts through a single payment in the event of default or termination of any one contract

Pillar 3: The part of Basel III that sets out information banks must disclose about their risks, the amount of capital required to absorb them and their approach to risk management. The aim is to encourage market discipline and improve the information made available to the market

Prudential Regulation Authority ('PRA'): The statutory body responsible for the prudential supervision of banks, building societies, credit unions, insurers and major investment firms in the UK. The PRA is a subsidiary of the Bank of England

Residual maturity: The period outstanding from the reporting date to the maturity or end date of an exposure

Risk appetite: A definition of the types and quantum of risks to which the firm wishes to be exposed

Risk and Control Self-Assessment ('RCSA'): Risk and Control Self-Assessment is used by business lines to identify risks associated with their key business processes and to complete a detailed assessment of the risk and associated controls

Risk Governance Framework: The risk governance framework has been developed in conjunction with BNY requirements. Key elements of the framework are:

- Formal governance committees, with mandates and defined attendees
- Clearly defined escalation processes, both informally (management lines) and formally (governance committees, board, etc.)
- A clear business as usual process for identification, management and control of risks
- Regular reporting of risk issues

Risk Management Committee ('RMC'): A committee which meets monthly to provide governance on risk related items arising from the business of the group

Risk-weighted Assets ('RWA'): Assets that are adjusted for their associated risks using weightings established in accordance with CRD V requirements

Standardised Approach ('SA'): Method used to calculate credit risk capital requirements using the Basel III, CRD V, CRR II model supplied by the BCBS. The SA model uses external credit assessment institution ratings and supervisory risk weights supplied by external credit assessment agencies

Tier 2 capital: A component of regulatory capital under Basel III, mainly comprising qualifying subordinated loan capital, related non-controlling interests and eligible collective impairment allowances

Value-at-Risk ('VaR'): A measure of the potential loss at a specified confidence level from adverse market movements in an ordinary market environment

Appendix 2 - CRR II references

CRR II ref.	Requirement summary	Compliance ref. applicable at 30 June 2024	Page ref.		
Scope of disclosure requirements					
431 (1)	Institutions shall publish Pillar 3 disclosures.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosures	3		
431 (2)	Firms with permission to use specific operational risk methodologies must disclose operational risk information.	N/A	N/A		
431 (3)	The management body shall adopt formal policies to comply with the disclosure requirements. At least one member of the management body shall attest in writing.	Attestation Statement	1		
431 (4)	Quantitative disclosures shall be accompanied by a qualitative narrative that may be necessary in order for the users of that information to understand the quantitative disclosures.	Qualitative narrative included where necessary.	N/A		
431 (5)	Explanation of ratings decision upon request.	N/A	N/A		
Non-material, proprietary or confidential information					
432 (1)	Institutions may omit disclosures if the information is not regarded as material (except Articles 435(2)(c), 437 and 450).	1.2 Article 432 CRR II - Non-material, proprietary or confidential information	3		
432 (2)	Institutions may omit information that is proprietary or confidential if certain conditions are respected (except Articles 437 and 450).				
432 (3)	Where 432(1) and (2) apply this must be stated in the disclosures, and more general information must be disclosed.				
Frequency of disclosure					
433	Institutions shall publish the disclosures required at least on an annual basis, on the same date of the publication of the financial statements. Semi-annual and quarterly disclosures shall be published on the same date as the financial reports for the period where applicable.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosures	3		
433 (a)	Large institutions shall disclose the information outlined in this article on an annual, semi-annual and quarterly basis as applicable.				
433 (b)	Small and non-complex institutions shall disclose the information outlined in this article on an annual and semi-annual basis as applicable.	N/A	N/A		
433 (c)	Institutions that are not subject to Article 433(a) or 433(b) shall disclose the information outlined in this article on an annual and semi-annual basis as applicable.	N/A	N/A		
Means of disclosure					
434 (1)	Institutions shall disclose all the information required under Titles II and III in electronic format and in a single medium or location.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosures	3		
434 (2)	Institutions shall make available on their website an archive of the information required to be disclosed in accordance with this Part.	1.3 Article 433/434 CRR II - Frequency, scope and means of disclosures	3		
Risk management objectives and policies					
435 (1)	Institutions shall disclose their risk management objectives and policies.	N/A under Article 433a(2)	N/A		
435 (1) (a)	Strategies and processes to manage those categories of risks.				
435 (1) (b)	Structure and organisation of the risk management function.				
435 (1) (c)	Scope and nature of risk reporting and measurement systems.				
435 (1) (d)	Policies for hedging and mitigating risk.				
435 (1) (e)	Approved declaration on the adequacy of risk management arrangements.				
435 (1) (f)	Approved risk statement describing the overall risk profile associated with business strategy.				
435 (2) (a)	Number of directorships held by directors.				
435 (2) (b)	Recruitment policy of Board members, their experience and expertise.				
435 (2) (c)	Policy on diversity of Board membership and results against targets.				
435 (2) (d)	Disclosure of whether a dedicated risk committee is in place, and number of meetings in the year.				
435 (2) (e)	Description of information flow on risk to Board.				
Scope of application					
436 (a)	The name of the institution to which this Regulation applies.			1 Article 431 CRR II - Disclosure requirements and policies	2
436 (b)	A reconciliation between the consolidated financial statements prepared in accordance with the applicable accounting framework and the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation.	N/A - There are no differences in scope.	N/A		
436 (c)	A breakdown of assets and liabilities of the consolidated financial statements prepared in accordance with the requirements on regulatory consolidation broken down by type of risk.	N/A under Article 433a(2)	N/A		
436 (d)	A reconciliation identifying the main sources of differences between the carrying value amounts in the financial statements under the regulatory scope of consolidation, and the exposure amount used for regulatory purposes.				
436 (e)	For exposures from the trading book and the non-trading book adjusted in accordance with Article 34 and Article 105, a breakdown of the constituent elements of an institution's prudent valuation adjustment, by types of risk.				
436 (f)	Current or expected material impediment to the prompt transfer of own funds or to the repayment of liabilities between the parent undertaking and its subsidiaries.	N/A - No impediment exists.	N/A		
436 (g)	Aggregate amount by which the actual own funds are less than required in all subsidiaries not included in the consolidation, and the name or names of those subsidiaries.	All entities in scope of consolidation are appropriately capitalised.	N/A		
436 (h)	Where applicable, the circumstance under which use is made of the derogation referred to in Article 7 or the individual consolidation method laid down in Article 9.	N/A	N/A		

The Bank of New York Mellon SA/NV (the 'European Bank')

<i>Own funds</i>			
437 (a)	Full reconciliation of Common Equity Tier 1 (CET1) items.	N/A under Article 433a(2)	N/A
437 (b)	Description of the main features of the CET1 and Additional Tier 1 and Tier 2 instruments.		
437 (c)	Full terms and conditions of all CET1, Additional Tier 1 and Tier 2 instruments.		
437 (d) (i)	Each prudent filter applied.		
437 (d) (ii)	Each deduction made.		
437 (d) (iii)	Items not deducted.		
437 (e)	Description of all restrictions applied to the calculation of Own Funds.	N/A - No restrictions apply.	
437 (f)	Explanation of the basis of calculating capital ratios using elements of Own Funds.	N/A - Capital ratios are calculated in accordance with CRR II.	
<i>Own funds and eligible liabilities</i>			
437a (a)	Institutions that are subject to Article 92a or 92b shall disclose the composition of their own funds and eligible liabilities, their maturity and their main features.	Table 2: EU CCA Main features of regulatory own funds instruments and eligible liabilities instruments	10
		Table 3: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIBs	12
437a (b)	The ranking of eligible liabilities in the creditor hierarchy.	Table 4: EU TLAC2 Creditor ranking - Entity that is not a resolution entity	13
437a (c)	The total amount of each issuance of eligible liabilities instruments.	Table 5: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIBs	12
437a (d)	The total amount of excluded liabilities.		
<i>Own funds requirements and risk weighted exposure amounts</i>			
438 (a)	Summary of institution's approach to assessing adequacy of capital levels.	N/A under Article 433a(2)	N/A
438 (b)	The amount of the additional own funds requirements based on the supervisory review process.		
438 (c)	Result of ICAAP on demand from authorities.		
438 (d)	The total risk-weighted exposure amount and the corresponding total own funds requirement.		
438 (e)	The on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending.		
438 (f)	The exposure value and the risk-weighted exposure amount of own funds instruments held in any insurance undertaking, reinsurance undertaking or insurance holding company that the institutions do not deduct from their own funds.		
438 (g)	The supplementary own funds requirement and the capital adequacy ratio of the financial conglomerate.	N/A	N/A
438 (h)	The variations in the risk-weighted exposure amounts of the current disclosure period compared to the immediately preceding disclosure period that result from the use of internal models, including an outline of the key drivers explaining those variations.	N/A	N/A
<i>Exposure to counterparty credit risk (CCR)</i>			
439 (a)	Description of process to assign internal capital and credit limits to CCR exposures.	N/A under Article 433a(2)	N/A
439 (b)	Discussion of process to secure collateral and establishing reserves.		
439 (c)	Discussion of management of wrong-way exposures.		
439 (d)	Disclosure of collateral to be provided (outflows) in the event of a ratings downgrade.		
439 (e)	The amount of segregated and unsegregated collateral received and posted.		
439 (f)	Exposure values before and after the effect of the credit risk mitigation of derivative transactions.		
439 (g)	Exposure values before and after the effect of the credit risk mitigation of securities financing transactions.		
439 (h)	The exposure values after credit risk mitigation effects and the associated risk exposures for credit valuation adjustment capital charge.		
439 (i)	Exposure value to central counterparties and the associated risk exposures.		
439 (j)	The notional amount and fair value of credit derivative transactions.		
439 (k)	Estimate of alpha, if applicable.		
439 (l)	Separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452.		
439 (m)	For institutions using the methods set out in Sections 4 to 5 of Chapter 6 of Title II Part Three, the size of their on- and off-balance-sheet derivative business		
<i>Countercyclical capital buffers</i>			
440 (a)	Geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposure	N/A under Article 433a(2)	N/A
440 (b)	Amount of the institution specific countercyclical capital buffer.		
<i>Indicators of global systemic importance</i>			
441	Disclosure of the indicators of global systemic importance.	N/A	N/A
<i>Credit risk adjustments</i>			
442 (a)	Disclosure of bank's scope and definitions of past due and impaired.	N/A under Article 433a(2)	N/A
442 (b)	Approaches for calculating specific and general credit risk adjustments.		
442 (c)	Information on the amount and quality of performing, non-performing and forborne exposures for loans, debt securities and off-balance-sheet exposures.		
442 (d)	An ageing analysis of accounting past due exposures.		
442 (e)	The gross carrying amounts of both defaulted and non-defaulted exposures.		
442 (f)	Changes in the gross amount of defaulted on- and off-balance-sheet exposures.		
442 (g)	The breakdown of loans and debt securities by residual maturity.		

The Bank of New York Mellon SA/NV (the 'European Bank')

Unencumbered assets			
443	Institutions shall disclose information concerning their encumbered and unencumbered assets.	N/A under Article 433a(2)	N/A
Use of ECAs			
444 (a)	Names of the ECAs used in the calculation of Standardised Approach RWAs, and reasons for any changes.	N/A under Article 433a(2)	N/A
444 (b)	Exposure classes associated with each ECAI.		
444 (c)	Explanation of the process for translating external ratings into credit quality steps.	N/A - Translation and mapping is as per the guidance in Articles 135-141 of CRR II.	N/A
444 (d)	Mapping of external rating to credit quality steps.	N/A - Translation and mapping is as per the guidance in Articles 135-141 of CRR II.	N/A
444 (e)	Exposure value pre and post-credit risk mitigation, by credit quality step.	N/A under Article 433a(2)	N/A
Exposure to market risk			
445	Disclosure of position risk, large exposures exceeding limits, FX, settlement and commodities risk.	N/A under Article 433a(2)	N/A
Operational risk management			
446 (a)	The approaches for the assessment of own funds requirements for operation risk that the institution qualifies for.	N/A under Article 433a(2)	N/A
446 (b)	A description of the methodology set out in Article 312(2), including a discussion of the relevant internal and external factors considered in the institution's advanced measurement approach.	N/A	N/A
446 (c)	In the case of partial use, the scope and coverage of the different methodologies used.	N/A	N/A
Key metrics			
447 (a)	Composition of own funds and own funds requirements.	Table 1: EU KM1 Key metrics template	7
447 (b)	The total risk exposure amount.		
447 (c)	Amount and composition of additional own funds.		
447 (d)	Combined buffer requirement which the institutions are required to hold.		
447 (e)	Leverage ratio and the total exposure measure.		
447 (f) (i)	Twelve months averages of the liquidity coverage ratio for each quarter.		
447 (f) (ii)	Twelve months averages of total liquid assets for each quarter.		
447 (f) (iii)	Twelve months averages of the liquidity outflows, inflows and net liquidity outflows for each quarter.		
447 (g) (i)	The net stable funding ratio at the end of each quarter		
447 (g) (ii)	The available stable funding at the end of each quarter		
447 (g) (iii)	The required stable funding at the end of each quarter	Table 3: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	12
447 (h)	Own funds and eligible liabilities ratios and their components, numerator and denominator		
Exposure to interest rate risk on positions not included in the trading book			
448 (1) (a)	The changes in the economic value of equity calculated under supervisory shock scenarios.	N/A under Article 433a(2)	N/A
448 (1) (b)	The changes in the net interest income calculated under supervisory shock scenarios.		
448 (1) (c)	A description of key modelling and parametric assumptions.		
448 (1) (d)	An explanation of the significance of the risk measures.	N/A under Article 433a(2)	N/A
448 (1) (e) (i)	A description of the specific risk measures that are used to evaluate changes economic value of equity and net interest income.		
448 (1) (e) (ii)	A description of the key modelling and parametric assumptions used where they differ from the provisions of Article 448(1)(c).		
448 (1) (e) (iii)	A description of the interest rate shock scenarios used to estimate the interest rate risk		
448 (1) (e) (iv)	The effect of hedges against interest rate risks.		
448 (1) (e) (v)	An outline of how often the evaluation of the interest rate risk occurs.		
448 (1) (f)	The description of the overall risk management and mitigation strategies.		
448 (1) (g)	Average and longest repricing maturity assigned to non-maturity deposits.		
448 (2)	By way of derogation from paragraph 1 of this Article, the requirements set out in points (c) and (e)(i) to (e)(iv) of paragraph 1 shall not apply to institutions that use the standardised methodology or the simplified standardised methodology.		
Exposures to securitisation positions			
449 (a)	A description of the institution's securitisation and re-securitisation activities including risk management and investment objectives, their role and whether the institution uses STS, and the extent of credit risk transfers to third parties	N/A under Article 433a(2)	N/A
449 (b)	The type of risks they are exposed to in their securitisation and re-securitisation activities by level of seniority of the relevant securitisation positions providing a distinction between STS and non-STs positions		
449 (b) (i)	The risk retained in own-originated transactions		
449 (b) (ii)	The risk incurred in relation to transactions originated by third parties		
449 (c)	Their approaches for calculating the risk-weighted exposure amounts that they apply to their securitisation activities.		
449 (d)	A list of SSPEs, with a description of their types of exposures to those SSPEs, including derivative contracts:		

The Bank of New York Mellon SA/NV (the 'European Bank')

449 (d) (i)	SSPEs which acquire exposures originated by the institutions.	N/A under Article 433a(2)	N/A
449 (d) (ii)	SSPEs sponsored by the institutions.		
449 (d) (iii)	SSPEs and other legal entities for which the institutions provide securitisation-related services		
449 (d) (iv)	SSPEs included in the institutions' regulatory scope of consolidation;		
449 (e)	A list of any legal entities in relation to which the institutions have disclosed that they have provided support in accordance with Chapter 5 of Title II of Part Three		
449 (f)	A list of legal entities affiliated with the institutions and that invest in securitisations originated by the institutions or in securitisation positions issued by SSPEs sponsored by the institutions.		
449 (g)	A summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions.		
449 (h)	The names of the ECAIs used for securitisations and the types of exposure for which each agency is used.		
449 (i)	Where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three.		
449 (j)	Separately for the trading book and the non-trading book, the carrying amount of securitisation exposures.		
449 (k) (i)	For the non-trading book activities, the aggregate amount of securitisation positions where institutions act as originator or sponsor and the associated risk-weighted assets and capital requirements by regulatory approaches.		
449 (k) (ii)	The aggregate amount of securitisation positions where institutions act as investor and the associated risk weighted assets and capital requirements by regulatory approaches.		
449 (l)	For exposures securitised by the institution, the amount of exposures in default and the amount of the specific credit risk adjustments made by the institution during the current period, both broken down by exposure type.		
Environmental, social and governance risks (ESG risks)			
449a	Large institutions which have issued securities that are admitted to trading on a regulated market of any Member State, shall disclose information on ESG risks, including physical risks and transition risks.	N/A - the European Bank does not have securities admitted for trading in a member state.	N/A
Remuneration policy			
450 (1) (a)	Information concerning the decision-making process used for determining the remuneration policy.	N/A under Article 433a(2)	N/A
450 (1) (b)	Information about the link between pay of the staff and their performance.		
450 (1) (c)	Important design characteristics of the remuneration system.		
450 (1) (d)	The ratios between fixed and variable remuneration.		
450 (1) (e)	Information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based.		
450 (1) (f)	Main parameters and rationale for any variable component scheme and any other non-cash benefits.		
450 (1) (g)	Aggregate quantitative information on remuneration by business area.		
450 (1) (h)	Aggregate quantitative information on remuneration, broken down by senior staff management and members of staff whose actions have a material impact on the risk profile		
450 (1) (h) (i)			
450 (1) (h) (ii)			
450 (1) (h) (iii)			
450 (1) (h) (iv)			
450 (1) (h) (v)			
450 (1) (h) (vi)			
450 (1) (h) (vii)			
450 (1) (i)	Number of individuals that have been remunerated EUR 1 million or more per financial year.		
450 (1) (j)	Upon demand from the relevant Member State or competent authority, the total remuneration for each member of management or senior management.		
450 (1) (k)	Information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU.		
450 (2)	For large institutions, quantitative information on the remuneration of the collective management body shall be made available to the public, differentiating between executive and non-executive members.		
Leverage ratio			
451 (1) (a)	Leverage ratio.	N/A under Article 433a(2)	N/A
451 (1) (b)	Breakdown of total exposure measure.		
451 (1) (c)	Where applicable, the amount of exposures calculated in accordance with Articles 429(8) and 429a(1) and the adjusted leverage ratio calculated in accordance with Article 429a(7);	N/A under Article 433a(2)	N/A
451 (1) (d)	Description of the process used to manage the risk of excessive leverage.		
451 (1) (e)	Description of the factors that had an impact on the leverage ratio.		
451 (2)	Public development credit institutions shall disclose the leverage ratio without the adjustment to the total exposure measure.		
451 (3)	Large institutions shall disclose the leverage ratio and the breakdown of the total exposure measure referred to in Article 429(4) based on averages calculated in accordance with the implementing act referred to in Article 430(7).		
Liquidity requirements			
451a (1)	Disclose information on liquidity coverage ratio, net stable funding ratio and liquidity risk management.	N/A under Article 433a(2)	N/A
451a (2) (a)	The average of their liquidity coverage ratio based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period.		

The Bank of New York Mellon SA/NV (the 'European Bank')

451a (2) (b)	The average of total liquid assets based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period, and a description of the composition of that liquidity buffer.	N/A under Article 433a(2)	N/A
451a (2) (c)	The averages of liquidity outflows, inflows and net liquidity outflows, based on end-of-the-month observations over the preceding 12 months for each quarter of the relevant disclosure period and the description of their composition.		
451a (3) (a)	Quarter-end figures of the net stable funding ratio for each quarter of the relevant disclosure period.		
451a (3) (b)	An overview of the amount of available stable funding.		
451a (3) (c)	An overview of the amount of required stable funding.		
451a (4)	Disclosure of the arrangements, systems, processes and strategies put in place to identify, measure, manage and monitor liquidity risk.		
Use of the IRB approach to credit risk			
452 (a)	The competent authority's permission of the approach.	N/A	N/A
452 (b)	The mechanisms for rating systems at the different stages of development, controls and change.		
452 (c)	For each exposure class referred to in Article 147, the percentage of the total exposure value subject to the Standardised Approach or to the IRB approach.		
452 (d)	The role of the functions involved in the development, approval and subsequent changes of the credit risk models.		
452 (e)	The scope and main content of the reporting related to credit risk models.		
452 (f)	A description of the internal ratings process by exposure class, including the number of key models used and a brief discussion of the main differences between the models.		
452 (g)	As applicable, information relating to each exposure class referred to in Article 147.		
452 (h)	Institutions' estimates of PDs against the actual default rate for each class over a longer period.		
Use of credit risk mitigation techniques			
453 (a)	Use of on- and off-balance sheet netting.	N/A under Article 433a(2)	N/A
453 (b)	How collateral valuation is managed.		
453 (c)	Description of types of collateral used.		
453 (d)	Types of guarantor and credit derivative counterparty, and their creditworthiness.	N/A - BNY's EMEA entities do not enter into credit derivative transactions	N/A
453 (e)	Disclosure of market or credit risk concentrations within risk mitigation exposures.	N/A under Article 433a(2)	N/A
453 (f)	Under either the Standardised or IRB approach, disclose the exposure value not covered by any eligible credit protection and the total exposure valued covered by eligible credit protection.		
453 (g)	Conversion factors and the credit risk mitigation associated with the exposure and the incidence of credit risk mitigation techniques with and without substitution effect.		
453 (h)	Under the Standardised approach, the on- and off-balance-sheet exposure value by exposure class before and after conversion factors and any associated credit risk mitigation.		
453 (i)	Under the Standardised approach, the risk-weighted exposure amount and the ratio between that risk-weighted exposure amount and the exposure value after applying conversion factors and credit risk mitigation, for each exposure class.		
453 (j)	For risk-weighted exposure amounts under the IRB approach, the risk-weighted exposure amount before and after recognition of the credit risk mitigation impact of credit derivatives.	N/A	N/A
Use of the Advanced Measurement Approaches to operational risk			
454	Description of the use of insurance or other risk transfer mechanisms to mitigate operational risk.	N/A	N/A
Use of internal market risk models			
455	Institutions calculating their capital requirements using internal market risk models.	N/A	N/A



The Bank of New York Mellon SA/NV

1 Boulevard Anspachlaan

1000 Brussels

Belgium

V.A.T. BE 0806.743.159 - Company No.0806.743.159 Brussels RPM-RPR

bny.com

The Bank of New York Mellon SA/NV is a Belgian public limited liability company (Société anonyme / naamloze vennootschap), authorised and regulated as a credit institution by the National Bank of Belgium (NBB), and a subsidiary of The Bank of New York Mellon, a banking corporation organised under the laws of the State of New York, with head office at 240 Greenwich Street, New York, NY 10007, United States