



The Bank of New York Mellon Corporation

# LIQUIDITY COVERAGE RATIO DISCLOSURE

For the Quarterly Period Ended December 31, 2025



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## Introduction

In this Liquidity Coverage Ratio (“LCR”) Disclosure (“Disclosure”), references to “our,” “we,” “us,” “BNY,” the “Company” and similar terms refer to The Bank of New York Mellon Corporation and its consolidated subsidiaries. References in this Disclosure to “Parent” refer to The Bank of New York Mellon Corporation on a standalone basis. This Disclosure should be read in conjunction with the section titled “Forward-looking Statements” below.

BNY is a global financial services platforms company at the heart of the world’s capital markets. For more than 240 years BNY has partnered alongside clients, using its expertise and platforms to help them operate more efficiently and accelerate growth. Today BNY serves over 90% of Fortune 100 companies and nearly all the top 100 banks globally. BNY supports governments in funding local projects and works with over 90% of the top 100 pension plans to safeguard investments for millions of individuals. As of December 31, 2025, BNY oversees \$59.3 trillion in assets under custody and/or administration and \$2.2 trillion in assets under management.

BNY is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). Headquartered in New York City, BNY has 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](http://www.bny.com). Follow on LinkedIn or visit the BNY Newsroom for the latest company news.

United States regulators have established an LCR that requires certain banking organizations, including BNY, to maintain a minimum amount of unencumbered high quality liquid assets (“HQLA”) sufficient to withstand the net cash outflow under a hypothetical standardized acute liquidity stress scenario for a 30-day time horizon. The eligible HQLA amount is the numerator, and the cumulative net cash outflow amount is the denominator of the LCR. The LCR caps cash inflows at 75% of cash outflows and requires an add-on calculation based on the difference between the net cumulative outflow amounts on the peak day and the last day of the 30-day period to address potential maturity mismatches between outflows and inflows. The U.S. regulators have affirmed the principle that HQLA is expected to be available for use to address liquidity needs in a time of stress.

The U.S. LCR rule requires BNY and each of our in scope domestic bank subsidiaries to meet a daily LCR of at least 100%. The LCR of BNY and each of our in scope domestic bank subsidiaries was compliant with

the U.S. LCR requirements for the fourth quarter of 2025.

In addition, BNY is subject to the Federal Reserve’s Enhanced Prudential Standards, which include liquidity standards. BNY has taken actions to comply with these standards, including the adoption of various liquidity management standards and maintenance of a liquidity buffer of unencumbered highly liquid assets calibrated to satisfy liquidity needs based on the results of internal liquidity stress testing. United States regulators have also established a Net Stable Funding Ratio (“NSFR”) that requires certain banking organizations, including BNY, to maintain a minimum amount of stable funding to support their assets, commitments, and derivatives exposures over a one-year time horizon.

The Federal Reserve’s regulations also require that large banking organizations, including BNY, publicly disclose certain quantitative liquidity metrics as set forth herein, as well as qualitative factors affecting their LCR results (the “U.S. LCR Disclosure rule”). Accordingly, we have developed this Disclosure, which contains the required public disclosures prepared in accordance with the U.S. LCR Disclosure rule and covering the period beginning on October 1, 2025, and ending on December 31, 2025. The information is based on our current interpretation and understanding of the LCR Rule and may evolve to the extent we discuss the interpretation and application of these rules with our regulators. This Disclosure will remain publicly available for at least 5 years. The U.S. LCR Disclosure rule requires us to present certain components of HQLA, cash inflows, and cash outflows on both a weighted and an unweighted basis. With respect to HQLA, weighted basis refers to the application of haircuts and caps applicable to otherwise eligible HQLA; unweighted basis refers to HQLA before application of such haircuts and caps. With respect to cash inflows and outflows, weighted basis refers to the application of specified inflow and outflow rates applicable to certain types of cash inflows and outflows; unweighted basis refers to inflows and outflows before the application of such rates. Averages are calculated as simple averages of daily amounts over the calendar quarter.

Any differences between the presentation of information in this Disclosure and how we present such information for other purposes are solely due to our efforts to comply with applicable regulation. The information presented in this Disclosure does not, in any way, reflect changes to our organizational structure, business plans or practices, or strategy.

Additional financial and other information about BNY, its liquidity, and its principal business activities can be found in its Net Stable Funding Ratio Disclosure (“NSFR Disclosure”) as well as its 2025 Annual Report on Form 10-K (“2025 Annual Report”), Quarterly Reports on Form 10-Q (“10-Q”) and other filings, collectively referred to as “SEC Filings”, with the Securities and Exchange Commission, which we make available on the Investor Relations section of our corporate website at [www.bny.com](http://www.bny.com).

## LCR Disclosure

### *Quarterly Variance in the LCR*

For the fourth quarter of 2025, BNY's average Consolidated LCR was 112.3%, with average weighted HQLA holdings of \$147.1 billion and an average weighted net cash outflow of \$131.0 billion. The fourth quarter of 2025 average LCR increased approximately 0.1%, compared to the third quarter 2025 average LCR. The LCR surplus amount was \$16.1 billion for the fourth quarter, compared to \$14.6 billion for the third quarter. We expect our average LCR to vary from period to period due to business-as-usual fluctuations in our client activity, business mix and the overall market environment. Please see below for more information regarding the components of our LCR.

### *Drivers of the LCR*

Deposits are the key driver of our LCR. BNY provides custody, cash management and clearing services to a wide range of clients, including banks, broker dealers, other non-bank financial institutions, corporations, and individuals. These services are primarily operational and generate substantial deposit balances. Client deposits are the main funding source for BNY and are the main component of weighted outflow in the LCR. The HQLA BNY holds is adequate to cover assumed deposit outflows, as well as other cash outflows, under the hypothetical LCR liquidity stress.

### *HQLA*

For the fourth quarter of 2025, BNY's total eligible average weighted HQLA was \$147.1 billion and primarily made up of Level 1 HQLA, composed of deposits with central banks, U.S. Treasury securities, and securities issued or guaranteed by non-U.S. sovereigns.

### *Cash Outflow Amounts*

For the fourth quarter of 2025, the average weighted cash outflow was \$186.5 billion.

Average weighted retail funding outflow was \$7.6 billion, approximately 53.3% consisted of brokered deposit outflow and stable retail deposit outflow. Other retail funding outflows, which primarily consisted of broker-dealer retail customer cash comprised the remaining approximate 46.7% of retail funding outflow.

Average weighted unsecured wholesale funding outflow was \$134.7 billion. Approximately 66.3% of average unweighted unsecured wholesale funding outflow was operational deposits with low outflow rates; 33.5% was non-operational funding outflow, with high outflow rates, primarily consisting of non-operational deposits and excess balances in operational accounts. Operational deposit outflow and non-operational funding outflow comprised approximately 99.7% of average weighted unsecured wholesale funding outflows.

Average weighted secured wholesale funding outflow was \$22.4 billion, the majority of which was from customer shorts and secured lending.

Average weighted outflow from credit and liquidity facilities was \$13.5 billion.

The remaining average weighted outflow of \$8.2 billion was mainly related to derivative exposures, contingent obligations and associated collateral requirements.

### *Cash Inflow Amounts*

For the fourth quarter of 2025, the average weighted cash inflow was \$57.1 billion.

Average weighted secured lending transaction inflow was \$36.8 billion, the majority of which was from maturing securities borrowing, margin loans collateralized with non-HQLA assets in our broker-dealer subsidiaries, and other secured loans.

Average weighted unsecured wholesale cash inflow was \$13.7 billion, mainly from placements, and other loans. The remaining average weighted inflow of \$6.5 billion consisted primarily of broker-dealer segregated account inflows.

## Calculation and Components of our LCR

The table below provides information about our calculation and components of the LCR as required by the U.S. LCR Disclosure rule.

<b>Liquidity Coverage Ratio</b>		<b>Average</b>	<b>Average</b>
<b>October 1, 2025 to December 31, 2025</b>		<b>Unweighted</b>	<b>Weighted</b>
<i>(in millions)</i>		<b>Amount</b>	<b>Amount</b>
<b>High-Quality Liquid Assets</b>			
Total high-quality liquid assets (HQLA)		208,966	202,266
<b>High-Quality Liquid Assets (b)</b>			
1	Total eligible high-quality liquid assets (HQLA), of which:	147,654	147,112
2	Eligible Level 1 liquid assets	144,040	144,040
3	Eligible Level 2A liquid assets	3,614	3,072
4	Eligible Level 2B liquid assets	-	-
<b>Cash Outflow Amounts</b>			
5	Deposit outflow from retail customers and counterparties, of which:	34,838	7,631
6	Stable retail deposit outflow	773	23
7	Other retail funding outflow	11,996	3,565
8	Brokered deposit outflow	22,069	4,043
9	Unsecured wholesale funding outflow, of which:	291,207	134,697
10	Operational deposit outflow	193,190	48,105
11	Non-operational funding outflow	97,631	86,206
12	Unsecured debt outflow	386	386
13	Secured wholesale funding and asset exchange outflow	39,220	22,442
14	Additional outflow requirements, of which:	41,784	19,909
15	Outflow related to derivative exposures and other collateral requirements	6,401	6,363
16	Outflow related to credit and liquidity facilities including unconsolidated structured transactions and mortgage commitments	35,383	13,546
17	Other contractual funding obligation outflow	785	785
18	Other contingent funding obligations outflow	34,401	1,032
<b>19</b>	<b>Total Cash Outflow</b>	<b>442,235</b>	<b>186,496</b>
<b>Cash Inflow Amounts</b>			
20	Secured lending and asset exchange cash inflow	67,178	36,788
21	Retail cash inflow	45	23
22	Unsecured wholesale cash inflow	13,931	13,705
23	Other cash inflows, of which:	6,548	6,548
24	Net derivative cash inflow	638	638
25	Securities cash inflow	533	533
26	Broker-dealer segregated account inflow	5,377	5,377
27	Other cash inflow	-	-
<b>28</b>	<b>Total Cash Inflow</b>	<b>87,702</b>	<b>57,064</b>
			<b>Average</b>
			<b>Amount (a)</b>
29	HQLA Amount (b)		147,112
30	Total Net Cash Outflow Amount Excluding the Maturity Mismatch Add-on		129,432
31	Maturity Mismatch Add-on		1,598
32	Total Unadjusted Net Cash Outflow Amount		131,030
33	Outflow Adjustment Percentage		100%
34	Total Net Cash Outflow Amount		131,030
<b>35</b>	<b>Liquidity Coverage Ratio (%) (c)</b>		<b>112%</b>

(a) Figures reported in rows 1-28 may differ from technical factors, such as Level 2 Asset caps and Total inflow Asset caps.

(b) HQLA excludes excess liquidity held at certain subsidiaries that is not transferable within the Company.

(c) Disclosed LCR represents an average of the daily LCRs during the quarter.

## Liquidity Management

### *Liquidity Management Practices*

BNY's Corporate Treasury function is responsible for day-to-day liquidity management for the Company, under the supervision of the Corporate Treasurer. Corporate Treasury monitors and manages liquidity exposures and funding needs within and across significant legal entities, branches, currencies and business lines, taking into account, among other factors, any applicable restrictions on the transfer of liquidity among entities. The Corporate Treasurer has continuous authority, as well as the legal and operational capability, to direct the monetization of any asset in BNY's HQLA.

Our overall approach to liquidity management is to ensure sources of liquidity are sufficient in amount and diversity such that changes in market conditions or in funding requirements at the Parent and at our significant bank and broker-dealer subsidiaries can be accommodated routinely without material adverse impact on earnings, daily operations or our financial condition.

We seek to maintain an adequate liquidity cushion in both normal and stressed environments and diversify funding sources by line of business, counterparty, and market segment. We also seek to maintain liquidity ratios within approved limits and liquidity risk tolerance in accordance with our liquidity policy.

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

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

### *Sources of Funds*

BNY's primary sources of funding are (i) deposits, the majority of which are classified as "operational" according to the U.S. LCR rules (these are generally generated through BNY's core services, including

custody, clearing and cash management functions), (ii) long-term debt (generally senior and subordinated unsecured debt) primarily issued at the Parent and certain bank subsidiaries, and (iii) stockholders' equity. These sources may be supplemented by short-term borrowings, primarily in the form of secured funding transactions.

In addition, BNY also has borrowing capacity at the Federal Reserve Discount Window and the Federal Home Loan Bank of Pittsburgh. We do not consider these sources of funding to be primary sources of funding.

### *Foreign Currency*

The majority of our HQLA and net cash outflows are U.S. dollar-denominated.

To manage foreign exchange risk, foreign currency-denominated assets are mainly funded with liabilities denominated in the same currency.

### *Liquidity Risk Oversight*

Corporate Treasury is supported by an Independent Liquidity Risk function, which provides an on-going review of liquidity risk management that is independent of Corporate Treasury. In addition, Internal Audit assesses the effectiveness of internal controls by providing independent, risk-based assurance reviews designed to identify control risks, risk mitigants, control gaps, and opportunities to improve efficiency.

### *Governance*

Our board of directors oversees the Company's liquidity risk management practices and approves our liquidity risk tolerances. The Asset Liability Committee ("ALCO") is the senior management committee responsible for the oversight of liquidity management. ALCO is responsible for ensuring that board approved strategies, policies and procedures for managing liquidity are appropriately executed. ALCO is also responsible for reviewing liquidity stress tests and various liquidity metrics including the LCR. Senior management is also responsible for regularly reporting the liquidity position of the Company to the board of directors. The Balance Sheet Risk Committee is the senior management committee providing governance over independent risk oversight of the liquidity risks associated with the Company's assets and liabilities, liquidity risk limits, and the adequacy of related control procedures. The Treasury Risk Committee approves and validates stress test methodologies and assumptions. For further discussion of our liquidity management framework, see "Risk Management – Liquidity risk" in our 2025 Annual Report.

## Forward-looking Statements

Additional financial and other information about the Company and its liquidity can be found in its NSFR Disclosure as well as the Company's SEC Filings as such disclosures become available on the SEC's website at [www.sec.gov](http://www.sec.gov) and at [www.bny.com](http://www.bny.com).

In this Disclosure and the SEC Filings, words such as "estimate," "forecast," "project," "anticipate," "likely," "target," "expect," "intend," "continue," "seek," "believe," "plan," "goal," "could," "should," "would," "may," "might," "will," "strategy," "synergies," "opportunities," "trends," "momentum," "ambition," "aspiration," "objective," "aim," "future," "potentially," "outlook" and words of similar meaning, may signify forward looking statements. Some statements in this Disclosure and the SEC Filings may constitute "forward-looking statements". These statements, which may be expressed in a variety of ways, including the use of future or present tense language, relate to, among other things: statements about the Company's funding, financial results, liquidity management and ratios and HQLA.

These forward-looking statements and other forward-looking statements contained in the Company's SEC Filings are not guarantees of future results or occurrences, are inherently uncertain and are based upon current beliefs and expectations of future events, many of which are, by their nature, difficult to predict, outside of our control and subject to change.

Actual results may differ, possibly materially, from the anticipated results expressed or implied in these forward-looking statements as a result of a number of important factors, including those factors described in the 2025 Annual Report under "Management's Discussion and Analysis of Financial Condition and Results of Operations – Risk Factors," such as:

- errors or delays in our operational and transaction processing, or those of third parties, may materially adversely affect our business, financial condition, results of operations and reputation;
- a communications or technology disruption or failure within our infrastructure or the infrastructure of third parties that results in a loss of information, delays our ability to access information or impacts our ability to provide services to our clients may materially adversely affect our business, financial condition and results of operations;
- a cybersecurity incident, directed at us or a third party, could result in the theft, loss, disclosure, use or alteration of information, unauthorized or loss of access to information, or system or network failures. Any such incident could adversely impact our ability to conduct our businesses, damage our reputation and cause losses;
- the development and use of artificial intelligence, including digital employees and digital engineers, present risks and challenges that may materially adversely impact our business;
- our risk management framework, policies and processes may not be effective in identifying or mitigating risk and reducing the potential for losses and any inadequacy or lapse in our risk management framework, policies and processes could expose us to unexpected losses that could materially adversely affect our results of operations and financial condition;
- limitations of the models we use to measure, monitor and manage risk could lead to unexpected losses and adverse business impacts;
- we are subject to extensive government rulemaking, policies, regulation and supervision that impact our operations. Changes to and introduction of new rules and regulations have compelled, and in the future may compel, us to change how we manage our businesses, which could have a material adverse effect on our business, financial condition and results of operations;
- regulatory or enforcement actions or litigation could materially adversely affect our results of operations or harm our businesses or reputation;
- our business may be adversely affected if we are unable to attract, retain, develop and motivate employees;
- a failure or circumvention of our controls, policies and procedures could have a material adverse effect on our business, financial condition, results of operations and reputation;
- weakness and volatility in financial markets and the economy generally may materially adversely affect our business, financial condition and results of operations;
- we are dependent on fee-based business for a substantial majority of our revenue and our fee-

- based revenues could be adversely affected by slowing market activity, weak financial markets, underperformance and/or negative trends in savings rates or in investment preferences;
- levels of and changes in interest rates have impacted, and will in the future continue to impact, our profitability and capital levels, at times adversely;
  - we have experienced, and may continue to experience, unrealized or realized losses on securities related to volatile and illiquid market conditions, reducing our capital levels and/or earnings;
  - the failure or perceived weakness of any of our significant clients or counterparties, many of whom are major financial institutions or sovereign entities, and our assumption of credit, counterparty and concentration risk, could expose us to credit losses and adversely affect our business;
  - we could incur losses if our allowance for credit losses, including loan and lending-related commitment reserves, is inadequate or if our expectations of future economic conditions deteriorate;
  - our business, financial condition and results of operations could be adversely affected if we do not effectively manage our liquidity;
  - failure to satisfy regulatory standards, including “well capitalized” and “well managed” status or capital adequacy and liquidity rules more generally, could result in limitations on our activities and adversely affect our business and financial condition;
  - the Parent is a non-operating holding company and, as a result, is dependent on dividends from its subsidiaries and extensions of credit from the IHC to meet its obligations, including with respect to its securities, and to provide funds for share repurchases, payment of income taxes and payment of dividends to its stockholders;
  - our ability to return capital to shareholders is subject to the discretion of our Board of Directors and may be limited by U.S. banking laws and regulations, including those governing capital and capital planning, applicable provisions of Delaware law and our failure to pay full and timely dividends on our preferred stock;
  - any material reduction in our credit ratings or the credit ratings of our principal bank subsidiaries, The Bank of New York Mellon, BNY Mellon, N.A. or The Bank of New York Mellon SA/NV, could increase the cost of funding and borrowing to us and our rated subsidiaries and have a material adverse effect on our business, financial condition and results of operations and on the value of the securities we issue;
  - the application of our Title I preferred resolution strategy or resolution under the Title II orderly liquidation authority could adversely affect the Parent’s liquidity and financial condition and the Parent’s security holders;
  - new lines of business, new products and services or transformational or strategic project initiatives subject us to new or additional risks, and the failure to implement these initiatives could affect our results of operations;
  - our strategic transactions present risks and uncertainties and could have an adverse effect on our business, financial condition and results of operations;
  - we may not realize some or all of the expected benefits of our transition to a platforms operating model;
  - we are subject to competition in all aspects of our business, which could negatively affect our ability to maintain or increase our profitability;
  - our businesses may be negatively affected by adverse events, publicity, government scrutiny or other reputational harm;
  - impacts from geopolitical events, acts of terrorism, war, extreme weather and other natural disasters, pandemics and other similar events may have a negative impact on our business and operations;
  - differing expectations for sustainability-related initiatives across client segments and local markets could adversely affect our business, affect client activity levels, subject us to additional regulatory requirements and damage our reputation;
  - tax law changes or challenges to our tax positions with respect to historical transactions may adversely affect our net income, effective tax rate

and our overall results of operations and financial condition; and

- changes in accounting standards governing the preparation of our financial statements and future events could have a material impact on our reported financial condition, results of operations, cash flows and other financial data.

In addition, recent announcements regarding changes in trade policies and practices, including the implementation of tariffs, proposed further tariffs, and responses globally, have significantly affected financial markets and economic conditions.

Continued uncertainty, including in trade policies and practices, elevated tariffs, operational and policy changes in the governments of the U.S. and other countries, and an extended U.S government shutdown could contribute to further market volatility and deteriorating or prolonged weakened economic conditions, which could cause our financial results to differ, possibly materially, from the anticipated results expressed or implied in forward-looking statements contained in this Disclosure and the SEC Filings.

All forward-looking statements speak only as of the date on which such statements are made, and BNY undertakes no obligation to update any statement to reflect events or circumstances after the date on which such forward-looking statement is made or to reflect the occurrence of unanticipated events. The contents of BNY's website or any other website referenced herein are not part of this Disclosure.



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