



BEST PRACTICES FOR ASSET OWNERS

A DIFFERENT LENS ON DATA DRIVING INNOVATION AND INSIGHT THROUGH DATA BEST PRACTICES

How BNY's Asset Servicing platform, Fund & Investor Solutions (F&IS), served as an early adopter of the firm's in-house Data Management solution – a SaaS-based, AI-enabled cloud-native platform – applying it in real world scenarios to help shape a blueprint for future client use cases.



BNY's Data Management solution transformed Fund & Investor Solutions' data estate to support insight, innovation and AI use cases. This case study explores some of the best practice insights BNY developed through this journey.

ABOUT BNY'S FUND & INVESTOR SOLUTIONS

BNY's Fund & Investor Solutions faced the same data challenges many asset owners are navigating today:

01

Fragmented information across accounting, administration and investor records

02

Manual reconciliation

03

Growing pressure to deliver faster, more transparent outcomes at scale.

To address this, F&IS implemented the Data Management solution as a unified, governed data foundation—enabling more consistent NAVs, improved investor transparency and stronger oversight. The experience has shaped a practical blueprint for asset owners looking to simplify operations, strengthen governance and unlock insight through trusted, connected data.

THE CLIENT CHALLENGE: CREATING AN AI-READY DATA INFRASTRUCTURE

Today, a robust data foundation is no longer optional; it is essential. Yet many asset owners lack the data capabilities they need to:

- **See** across funds, investors, and vehicles
- **Standardize** fragmented data
- **Improve** private market transparency
- **Support** better governance, liquidity planning, and reporting
- **Implement** AI-based analytics and automation

This is because - like F&IS before it implemented its own robust approach to data management - asset owners often lack several foundational elements that are essential for today's data infrastructure:



Centralization:

Data trapped in silos across business units, products, regions, and legacy platforms must be unified into a single source of truth.



Quality and governance:

Data needs to be accurate, consistent, and governed within a framework that includes critical metadata and lineage.



Accessibility:

Data must be available across the enterprise, with appropriate permissions, to support automation, analytics, and accelerate AI adoption.



Timeliness:

Manual data processes should be reduced through automation to improve speed and reliability.

When data is incomplete, inconsistent, outdated, or inaccurate, the impact extends well beyond operations. It can impair fund accounting information, investor / transfer agency data, capital activity transparency, portfolio and exposure views, client reporting and oversight analytics.

At the same time, weak standards for sourcing, validating, and governing nontraditional datasets are emerging as a significant challenge. Poor data quality remains one of the costliest governance issues asset owners encounter.

Limited data accessibility can also undermine outcomes. Reporting can be disconnected across funds, vehicles and administrators. Investor servicing data and portfolio data often sit in silos. Inaccessibility also slows the democratization of AI across the enterprise.

Several years ago, BNY faced a similar challenge to the one facing asset owners today. It recognized the growing importance of data, and of AI in financial services. Leadership determined that BNY's data estate would need to evolve to support its strategic ambitions for AI adoption.

BUILDING THE SOLUTION: DELIVERING AI-ENABLED DATA MANAGEMENT

For the F&IS platform, the answer was BNY's cloud-based data management solution designed to deliver a robust data ecosystem.

This tool serves as a single source of truth for data across the enterprise. It is underpinned by a robust data governance framework that helps maintain data quality, enhances transparency, and enables disparate datasets to be connected for an expanding set of reporting, automation, analytics, and AI use cases.

A modern data engine is far more than a cloud-based data lake. While centralizing data physically is relatively straightforward, the greater challenge for most organizations lies in connecting the knowledge around that data so it can be navigated, understood, and used effectively. At BNY, AI, combined with human oversight, has helped automate data hydration so data is cleansed, enriched, and ready for use. This allows information in the platform to be deployed quickly across a wide range of use cases.

IMPLEMENTING EFFICIENTLY: ENGAGING WITH DEEP DATA EXPERTISE

The Data Management solution is differentiated by BNY's deep expertise in automating metadata management for financial services.

That expertise underpins a sophisticated AI-driven data hydration capability, built on extensive experience in managing information at scale.

By applying AI to data hydration, a process that once took days or weeks now takes minutes. Expert human oversight remains central, with automated hydration reviewed and approved before deployment

That data expertise is also extended to asset owners during and after implementation. BNY helps organizations develop the data management frameworks and culture needed to support long-term success, drawing on best practices developed across its own enterprise to support dozens of data use cases, including those in platforms asset owner customers use every day.

DELIVERING VALUE: WORKING IN A MORE AGILE DATA ENVIRONMENT

This centralized solution is already generating meaningful value for F&IS and this highlights the broader opportunity for asset owners seeking to modernize their data capabilities.

Potential benefits of a more robust approach to data management for asset owners includes:

- **Better fund structure transparency** – including multi-vehicle portfolio oversight, private fund transparency, look-through through nested structures, and consistent executive dashboards
- **Improved investor visibility** – such as subscriptions/redemptions tracking, investor flow analytics, channel and concentration analysis, and investor-level reporting
- **Connected fund operations reconciliation support** – in particular, easily match fund accounting, transfer agency, custody, and manager records to identify exceptions
- **Enhanced alternatives oversight** – for example, commitment pacing, drawdown/distribution forecasting, alternatives data normalization and harmonized GP reporting
- **Stronger operational control and potential AI automation** – in areas like reconciliation across fund accounting, TA, custody, and managers; exception management; lineage and governance and standardized data definitions
- **Enriched client and governance outcomes** – easier board reporting, more flexible analytics, better strategic asset allocation support, and improved servicing transparency

Different operating models will suit different organizations, depending on their strategic priorities, internal capabilities, and preferred level of engagement.

What matters most is access to a platform that can scale in line with changing requirements while providing the capabilities, content, and connectivity needed to support long-term transformation.

IMPLEMENTATION GUIDANCE: THE GOVERNANCE CULTURE NEEDED FOR TRUSTED DATA

A data platform is only as effective as the data, controls, and behaviors that support it. For asset owners, becoming a trusted source of data requires a culture that treats data as a shared, governed, and usable enterprise asset.

Leading organizations typically:



Recognize data as a strategic business asset, not simply something to store or report on.



Establish clear operating models in which central teams set standards while business teams share responsibility for data quality and governance.



Link data governance closely to risk management, controls, and accountability.



Promote the responsible use of data and AI, including fairness, privacy, security, and transparency.



Invest in education and AI enablement so that data governance becomes embedded in day-to-day ways of working rather than remaining a policy exercise.

Strong governance culture is not only about control. It is also about making data easier to find, understand, and use safely across the enterprise. In doing so, it creates a stronger foundation for responsible AI adoption, helping to embed qualities such as fairness, privacy, and transparency.

RISK CONSIDERATIONS

For asset owners, strategic success depends on having a robust approach to data management underpinning their analytics, decisions and processes.

Deploying AI is also dependent on strong data governance. Without a cloud-based data platform that supports the rapid onboarding and hydration of data, several risks can intensify, including:



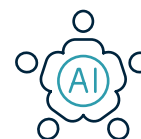
Reporting & transparency risk:

Asset owners need to be able to trust their whole data ecosystem. Weak data foundations can result in inconsistent reporting and limited transparency.



Operational risk:

Incomplete or inaccurate metadata can increase the likelihood of process failures and analytics errors. Automated data hydration, combined with human oversight, can help mitigate these risks.



AI risk:

Poor data quality can lead to biased outcomes, hallucinations, and unreliable outputs. Weak governance can also undermine explainability, increasing potential regulatory and legal exposure.



Decision-making risk:

Data that is untimely, incomplete, or inaccurate can impair investment, allocation, and oversight decisions. Centralization helps reduce the risk of acting on conflicting information.



Scalability risk:

As organizations grow, legacy data processes often struggle to keep pace with rising complexity and volume. Centralized data and automated hydration support more scalable operating models.



Innovation risk:

When data is difficult to access or cannot be trusted, the use of advanced analytics and AI becomes more constrained. Private market data governance can be particularly opaque, hampering engagement with this growing asset class. A modern data platform can help reduce these risks while accelerating innovation and time to value.

For asset owners, a modern data platform can help reduce these risks while accelerating innovation and time to value – enabling overall delivery on strategic business goals.

BEST PRACTICES CHECKLIST

As asset owners modernize their data capabilities, a clear set of implementation principles can help reduce risk and improve outcomes:



Start with strategy, not technology:

The most effective data transformations begin with the business outcomes an asset owner is seeking to achieve. Whether the challenge is limited AI readiness, slow data onboarding, fragmented data, weak data hydration, or insufficient ownership transparency, technology should serve the strategic objective, not define it.



View metadata as strategic infrastructure:

Metadata is not a technical afterthought; it is the context that gives data meaning. A clear understanding of what data is, where it comes from, how it is defined, how it has been transformed, and how it can be applied is essential to building trust and enabling AI at scale.



Make lineage foundational:

As AI adoption accelerates, lineage becomes increasingly important. It supports not only debugging and auditability, but also explainability, governance, and regulatory readiness.



Design for human accountability:

AI can accelerate processes and enhance insight, but accountability cannot be automated. Decisions around training data, model approval, exception management, escalation, and overrides should remain anchored in human judgment and oversight.



Build a culture that treats data as an enterprise asset:

Sustainable transformation depends on more than architecture alone. A strong data culture helps ensure that data is trusted, transparent, and well controlled — improving decision-making, reducing risk, lowering operational friction, and strengthening confidence in outcomes.

For asset owners, these best practices can help create a stronger foundation for scalable innovation, more confident decision-making, and responsible AI adoption — anchored in their approach to data management.

For more information about our solutions, please visit our [Fund & Investor Solutions website](#) and explore our [Data Management section](#).



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