



The Bank of New York Mellon
Frankfurt Branch

PILLAR 3 DISCLOSURE

December 31, 2025



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1 Introduction

This Pillar 3 disclosure is published for The Bank of New York Mellon Frankfurt Branch (the 'Branch') as at 31 December 2025.

The Basel Committee on Banking Supervision ('BCBS') framework consists of three pillars; Pillar 1 sets out the minimum capital requirement that firms are required to meet for categories of risk faced by the Branch. Pillar 2 concerns the supervisory review process and Pillar 3 promotes market discipline through the disclosure of key information around capital, management of material risks, and remuneration of Material Risk Takers ('MRTs'). Accordingly, this disclosure contains qualitative and quantitative information as required under the Capital Requirements Directive¹ ('CRD'), the Capital Requirements Regulation² ('CRR') and in conjunction with §26a and §53 Kreditwesengesetz³. The Branch continues to monitor regulatory developments. Please see section 1.1 for further information regarding the Branch's alignment to the current CRR III framework.

Article 431 Attestation

As set out in section 2.1 of this report, the Branch's Management Body is responsible for approving policies and procedures as may be required by law or otherwise appropriate and for reviewing the Branch's processes for compliance with applicable laws, regulations and the internal policies including the Code of Conduct.

This Pillar 3 disclosure has been prepared in accordance with the BNY EMEA Pillar 3 disclosure policy and control framework regarding the production and validation of its disclosures in order to meet the relevant regulatory requirements outlined in section 1.1.

The Branch considers that its risk management arrangements and systems are adequate with regards to its profile and strategy. The Branch recognises the importance of risk management in the execution of its strategy and has defined the levels of risk acceptable to the entity. This is formalised and monitored through its Risk Appetite Statement. The Risk Appetite Statement is refreshed on an annual basis. Further details are contained within section 2.2 of this report.

This disclosure was approved by the Branch Management on 28 May 2026 and signed on its behalf by:



Daniel Cuncic

Branch Manager

Member of the Frankfurt Branch Management Body

¹ Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024, amending Directive 2013/36/EU.

² Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013.

³ <http://www.gesetze-im-internet.de/kredwg/index.html>

1.1 Scope of application

Disclosure is made in accordance with the requirements of Article 433c(2) of the CRR. Therefore, this Pillar 3 disclosure focuses on items required for disclosure by such an institution as at 31 December 2025, subject to the statements outlined within this section. The disclosures also include, where appropriate, comparative figures for the prior year and an analysis of the more significant movements to provide greater insight into the risk management practices of the Branch and its risk profile.

To that end, this Pillar 3 disclosure focuses on risk management objectives and policies for each of the following categories of material risks to the Branch at the disclosure reference date, in line with the supervisory reporting exemptions outlined in this section:

- **Credit:** The risk of loss if any of the Branch's borrowers or other counterparties were to default on their obligations to the Branch. Credit risk resides in the majority of the Branch's assets, but primarily concentrated in the loan and securities books, as well as off-balance sheet exposures such as lending commitments, letters of credit ('LC'), and securities lending indemnifications;
- **Operational:** The risk of loss resulting from inadequate or failed internal processes, human factors and systems, breaches of technology and information systems, or from external events. Also includes fiduciary risk, reputational risk, outsourcing risk and litigation risk.

Additional risk types inherent to the business including liquidity, market, strategic and model risk are identified, measured, monitored and controlled through the risk management framework. See section 2 for more details.

In accordance with §1 FreistVO and §53c KWG, the Branch is not required to apply Articles 11 - 386 CRR III. Third Country Branches are also not currently in scope of the Pillar 3 Data Hub requirements of Article 434.

Further, in accordance to Bundesanstalt für Finanzdienstleistungsaufsicht ('BaFin') circular published on 17 February 2016 the Branch per §53c KWG, is not required to calculate or disclose the Basel leverage ratio. Furthermore the Branch also received a derogation from BaFin regarding the need to create a local risk bearing capacity concept as the branch is included in the risk bearing capacity concept of the parent entity, which ensures appropriate risk taking across all branches. This derogation also entails that the Branch is not obligated to have a standalone own funds plan or to perform a standalone ICAAP, as the Branch is integrated into the parent entity's own funds plan and ICAAP.

Pillar 3 disclosures are prepared solely to meet Pillar 3 disclosure requirements and for no other purpose. This disclosure does 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 Branch 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. Unless indicated otherwise, information contained within the Pillar 3 disclosure has not been subject to external audit.

In accordance with Article 432 of CRR, the Branch is permitted to exclude certain disclosures if they contain proprietary information or are non-material in nature. On this basis, selected non-applicable rows and columns have been omitted from quantitative tables.

Annual disclosures will be published on the same date on which the Annual Report and Financial Statements are made public or as soon as reasonably possible thereafter. The Branch will reassess the need to publish some or all of the disclosures more frequently than annually in light of any significant change in the business, capital resources or risk profile.

Pillar 3 disclosures for the Branch and the parent company are published on the BNY corporate website which can be accessed using the link below referring to the Additional Country Disclosures section:

[BNY Investor Relations - Pillar 3](#)

For information regarding the responsibilities of the Board of the parent company, reference should be made to the BNY Corporation Annual Report, which sets out the Board's governance framework, oversight responsibilities, and risk management obligations.

[BNY Investor Relations - Annual Report](#)

In line with the supervisory reporting exemptions outlined in Section 1.2, the following templates applicable under Article 433c(2) have not been disclosed for the Branch:

- EU CC1 Composition of regulatory own funds;
- EU CC2 Reconciliation of regulatory own funds to balance sheet in the audited financial statements;
- EU CMS1 Comparison of modelled and standardised risk weighted exposure amounts at risk level;

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- EU CMS2 Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level;
- EU CQ1 Credit quality of forborne exposures;
- EU CQ3 Credit quality of performing and non-performing exposures by past due days;
- EU CQ7 Collateral obtained by taking possession and execution processes;
- EU CR1 Performing and non-performing exposures and related provisions;
- EU CVA4 RWEA flow statements of credit valuation adjustment risk under the Standardised Approach;
- EU KM2 Key Metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities;
- EU OV1 Overview of total risk exposure amounts;
- EU TLAC1 Composition - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities;
- EU TLAC3a Creditor ranking - resolution entity.

Further, remuneration templates REM1 - REM4 are not disclosed. Refer to section 3.3 for more information. Lastly, subject to finalisation of the Implementing Technical Standards on disclosure of equity exposures, ESG risks, and shadow banking, the first reference date for Articles 438(e), 449a, 449b has been deferred to 31 December 2026, and the Branch continues to prepare accordingly.

1.2 Scope of reporting

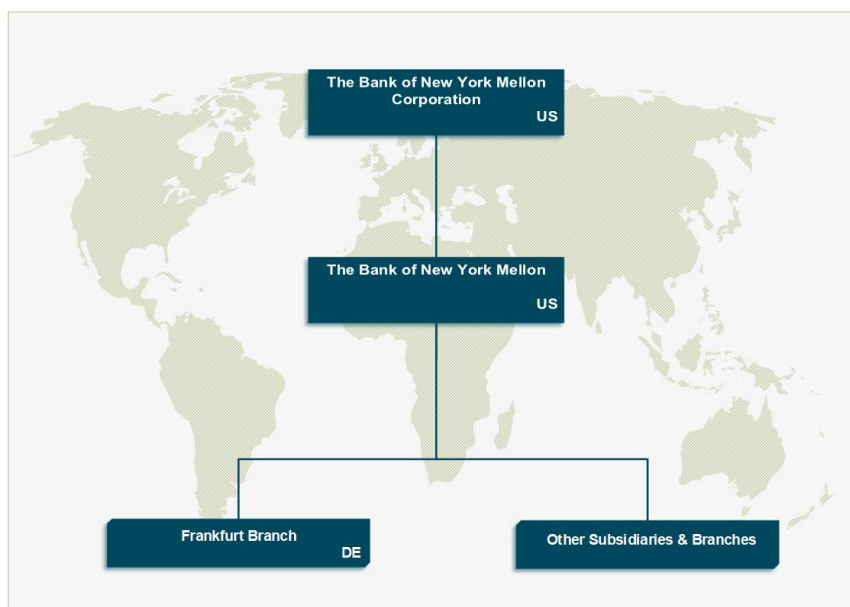
The Branch is a legally dependent branch of The Bank of New York Mellon, a New York banking corporation with trust powers, having its principal office in New York, which is itself a subsidiary of The Bank of New York Mellon Corporation, the ultimate parent company of the BNY Group.

BNY is a global financial services 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 31 December 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. Follow on LinkedIn or visit the BNY Newsroom for the latest company news.

The corporate structure of the Branch as at 31 December 2025 is illustrated in Figure 1 below. The Branch has no subsidiaries therefore these disclosures have been prepared on an individual basis.

Figure 1: Simplified view of The Bank of New York Mellon's Branches



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 People.

Banking and other Entities (EMEA Operating Model Programme) - BNY Group has rationalised the 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 - BNY has been particularly focused on strengthening governance and accountability. Senior leadership engages in ongoing governance and accountability reviews 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. BNY Mellon SA/NV ('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 - BNY details its Technology Strategy in a distinct document which is evolved alongside and in close alignment with the company's Business Strategy and the Enterprise Technology Strategy.

People - Talent attraction, retention and development are an integral part of BNY's growth strategy. BNY's ability to deliver on growth strategy and plans is largely based on the talent that is acquired, retained and developed. Diverse panels and short lists together with greater familiarity of the talent pipeline is key for the strategy.

1.3 Key 2025 and subsequent events

The Company is exposed to geopolitical risks including the global trade war, conflicts, terrorism and cyber-attacks.

BNY Group maintains controls, processes and policies that are designed to adhere to relevant sanctions, laws and regulations in countries in which the Group operates. The Group continues to monitor any subsequent developments associated with the conflicts whilst taking necessary actions where prompted.

Against a backdrop of moderating inflationary pressures, major central banks pivoted towards monetary easing during the year. The European Central Bank lowered its deposit facility rate from 3.00% to 2.00% over the course of 2025. Similarly, the U.S. Federal Reserve enacted a series of rate cuts, reducing the federal funds target range to 3.75% by year-end. The Bank of England and several other major central banks adopted comparable easing measures, reflecting a broad global transition towards a more accommodative monetary policy stance.

Within this environment, the Branch continued to demonstrate strong financial resilience. The Branch maintained a robust balance sheet supported by high levels of capital and liquidity, prudent leverage, and a conservative risk profile. These characteristics underpin the Bank's capacity to absorb short- to medium-term financial shocks and reinforce its position as a low-risk counterparty for clients, market participants, and regulators.

The Branch has prepared for the implementation of CRR III in line with its supervisory reporting exemptions.

1.4 Core business lines

The Branch primarily offers its clients Payments and Trade services, in particular:

- short-term credit foreign trade financing, letters of credit and follow-on financing guarantees;
- euro payment services;
- corporate trust agency functions; and,
- client deposits.

The clients, which are almost exclusively international financial institutions, are located primarily in the Middle-East, Europe and Asia.

1.5 Article 437 CRR - Own funds

For regulatory purposes the own funds of the parent, BNY Mellon Corporation, are disclosed. The parent's total capital as at 31 December 2025 under the Advanced Approach was: US\$27,046 million (2024: US\$24,535 million). Tier 1 capital was US\$25,909 (2024: US\$23,039) and CET1 capital was US\$21,086 (2024: US\$18,759). At 31 December 2025 the Branch's capital consists of €5.1 million (2024: €5.1 million) endowment capital. Further details can be found in the Annual Report of the parent, available at [BNY Investor Relations - Annual Report](#).

Risk

2 Article 435 CRR - 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'), the financial stability of all of its constituent legal entities, throughout market cycles and especially during periods of market turbulence, is recognised at 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 Branch and 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 risks as a result of its business model. The Enterprise Risk Management Framework supports the Branch's goals of long-term resiliency, safety and soundness to withstand the impact of financial market and other stresses. It is designed to maintain compliance with laws and regulations by enabling comprehensive risk management processes through which we identify, control, measure and monitor risks we assume in conducting our business activities. It is established to effectively manage risks corresponding to the execution of the business strategy and the Branch's day-to-day operations. This framework is grounded on the risk management principles below:

- Identify, Assess
- Control & Mitigate
- Measure, monitor and report risk
- Embed risk considerations into decisions and actions

The Branch is integrated into BNY Corporation's risk management program and has embedded the above policies and procedures in local governance processes. The goal of Enterprise Risk Management is to adopt a conservative risk appetite in order to maintain a strong capital position and balance sheet throughout all market cycles with strong liquidity, superior asset quality, ready access to external funding sources at competitive rates and a robust capital structure whilst delivering operational excellence to meet stakeholders' expectations.

Risk Statement

The Branch performs a risk identification assessment and review to summarize the risk profile of the Branch through the key risk categories. The assessment is a core requirement and represents the approach through which the Branch identifies risk in order to monitor and manage the risk profile. All risk types including Operational, Strategic, Credit, Model, Liquidity and Market form part of the assessment. The Branch's risk identification process considers various factors which includes risk management data that analyses the risk profile of the Branch, quality of controls in place to mitigate risks, internal and external factors and subject matter expertise.

The above risks are managed by the Branch in line with BNY's Group Risk Management Framework, including the three lines of defence model and governance requirements. A formal governance hierarchy is in place to ensure that all areas of the business can effectively escalate issues through the regional and global structure.

2.1 Branch management

The Branch Management body is responsible for:

- conducting and developing the activities of the Branch in accordance with its social objective as described in its articles of incorporation and in accordance with applicable laws;
- making appropriate determinations with regards to accepting or rejecting new business and ensuring escalation to the Board of the parent company any issues which cannot be resolved at this level;
- ensuring that the Branch has an effective organization and sufficient human/technology resources;

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- ensuring the sound administration of assets and the proper execution of operations;
- ensuring the complete and accurate recording of transactions and the production of reliable and timely information;
- promoting a positive attitude towards controls within the Branch;
- implementing an effective system of internal controls and an adequate compliance program;
- reporting at regular intervals to the Head of International on the status of affairs, internal controls and compliance. The Branch Management must promptly report to the Head of International any material breaches of law, regulation, code of conduct and standards of good practice;
- ensuring adequate oversight and control over any outsourcing arrangements;
- improving the understanding of ESG risks across the branch with the involvement of dedicated ESG specialists; and,
- overall oversight of risk management within the Branch.

The Branch Management meets monthly but at least ten times per year.

Branch Manager	Function at the Branch	Name of the other company in which an external function is exercised	Location (country)	Type of activities	Listed company (Y/N)	External mandate (title)	Capital connection with the Branch (Y/N)
Christopher Porter ¹	Branch Manager	Verband der Auslandsbanken in Deutschland e.V.	DE	Association	N	Board Member	N
Daniel Cuncic	Branch Manager	N/A					

¹ Christopher Porter has 1 additional internal mandate as Board Member in addition to the external mandate stated in the disclosure.

Note: at 31 December 2025 Hani A Kablawi held the position of the Head of International.

BNY's commitment to promoting its Thrive Together Principle is important to Power the Branch's Culture. It is also critical to the Branch's ability to serve its clients and grow its business. Branch Management appointments are based on an individual's skill, ability, experience, training, performance, and other valid role-related requirements, and with due regard for the benefits of different perspectives.

2.2 Risk appetite

The Branch establishes a Business and Risk strategy that is approved by the Branch Management Committee ('BMC'). It describes the level of risk that the Branch Management is willing to accept in its strategy and business activities, given its business objectives and obligations within its resource capacity.

The Branch uses a variety of metrics to measure and monitor its risk-taking activities. Articulating risk appetite through its metrics aids important decision-making by determining actions such as pursuing new products and enterprises, exiting businesses, and aligning resources to maximise potential gains given acceptable levels of risk. The metrics are actively monitored, managed and mitigated through the monthly BMC meetings.

2.3 Credit risk

The Branch incurs credit default risks primarily from cash balances with central banks and with individual inter-affiliates, and short-term trade finance and letter of credit business. The latter are provided on a unsecured basis or secured with cash collateral. The strategy of the branch is geared towards lending business with select, strategic credit institutions in emerging markets and OECD countries.

The term of the trade loans is usually less than 360 days. As of December 2025, the loan portfolio consisted mainly of exposures with customers based in the Middle East. Concentration on the industry and the individual regions is in line with the bank's business strategy and thus an immanent component.

The Branch addresses geopolitical risks in these regions through ongoing monitoring and if necessary, by adjusting the country credit limits and ratings, and through limiting credit to a very selective group of borrowers (primarily with systemically important banks) and also through risk mitigation in the form of cash deposits where deemed necessary.

The country exposure is actively monitored by the global and local trade and risk teams. The counterparty risk evaluation and loan limits are centrally managed. All counterparties (clients and banks) are assessed in terms of creditworthiness and allocated a borrower rating and credit limits in accordance with BNY's internal procedures. Monitoring and control is conducted via a number of systems to ensure that approved exposure levels are not exceeded, or are pre-approved by a suitable credit officer in light of individual circumstances. Post-event monitoring is also conducted by the Credit Risk function, including a respective reporting to Branch Management.

2.4 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events.

Operational risk may arise from errors in transaction processing, breaches of internal control, systems and compliance requirements, internal or external fraud, damage to physical assets, and/or business disruption due to systems failures or other events. Operational risk can also arise from potential legal or regulatory actions as a consequence of non-compliance with regulatory requirements, prudent ethical standards or contractual obligations.

BNY's Operational Risk Management Framework ('ORMF') provides the processes and tools necessary to fulfil a strategy of managing risk through a culture of risk awareness, a clear governance structure and well-defined policies and procedures. To support this activity, a number of risk management activities are prescribed through both the Enterprise and Operational Risk Management programmes.

The Branch uses the ORMF to effectively identify, manage, mitigate (where possible), monitor and report the risks in an organised way to the appropriate governance bodies. The ORMF defines roles and responsibilities through the global policy using the Three Lines of Defence model as a foundation. Thus, responsibility for the management of Operational Risk sits first and foremost with the business and functions. Operational Risk Officers oversee the activities undertaken in each of the business lines, with oversight from a Legal Entity point of view.

The following main tools are used by the Branch for operational risk management:

2.4.1 Risk and control self-assessment ('RCSA')

The RCSA is a proactive process that facilitates the uniform assessment of risks and controls in the key business functions across the Firm and identifies risks to be addressed. RCSAs help senior management to gain an understanding of the level of risk that each Business, Corporate Staff, Platform group exposes the firm to by conducting their activities..

2.4.2 Risk limits

Key risk metrics are designed to monitor activities which could cause financial loss or reputational damage to the legal entity. Periodic and consistent monitoring of risk limits ensures that deviations from predetermined standards can be identified.

2.4.3 Operational Risk Events ('ORE')

An ORE is the materialization of an Operational Risk Event. ORE data is the collection of internal losses, gains and near misses that provides meaningful information for assessing the Company's exposure to Operational Risk and the effectiveness of internal controls.

Information on operational risk event losses or gains exceeding US\$10,000 are analysed to understand root cause(s) and to identify improvements needed in order to reduce the recurrence and/or magnitude of future events. All OREs (over US\$10,000) are reviewed for root cause and possible mitigating actions are reported to the BMC monthly.

2.4.4 Third-Party risk

Outsourcing is a strategic decision by a company to reduce costs and increase efficiency by contracting a third party to perform business activity that were previously done by employees within the Branch. Outsourcing risk results from either non-performing, performing with low quality or delayed performing of the transferred business activity or function.

The majority of business activities of the Branch are supported by group functions and thus outsourced to inter-affiliates. The Branch and the in-sourcing inter-affiliates are governed by the same risk and control framework and global BNY Third Party Governance-Process, which ensures compliance with the relevant regulations (e.g. EBA Outsourcing Guidelines). The basis of outsourcing oversight is the monthly submission of the appointed Outsourcing Officer of Frankfurt Branch to the Branch's Management Committee, providing an overview of all outsourcing relationships, including performance and highlighting relevant key issues or topics.

2.5 Environmental Social and Governance ('ESG')

The management of ESG-related risks is integrated into the Branch's standard risk management framework and is consistent with BNY's Enterprise Risk Management Framework. For the Frankfurt Branch, the impact of ESG-related risks on business strategy predominantly manifests at the transaction level through embedding understanding of ESG-related risks that could impact individual decision making, such as granting of short-term credit or engagement with third parties. In most cases, the Frankfurt Branch provides clients with a range of services that facilitate their financial activities but do not generally provide committed or term funding to those activities. The Frankfurt Branch engages in activities that may generate limited and typically short-term credit exposures, potentially leading to limited exposure to ESG risk from other banks. However, balance sheet risks are relatively low in comparison to other banks with long-term lending portfolios or those that engage in extensive traditional corporate or retail banking, or trading activities. Non-financial risks, primarily relating to business resilience, also continue to be assessed as well as controlled and not materially impacted by ESG-related risks. While the impacts of ESG have been assessed as non-material relative to the overall risk profile, we continue to assess the impact of these risks and provide regular reporting to Senior Management and the Board.

2.6 Stress testing

The Branch is required to perform standalone financial stress testing at least annually. The stress tests cover risks to the Branch's financial resiliency over a forward-looking planning horizon. A combination of an economic downturn scenarios and idiosyncratic stresses are assessed to examine the impact of adverse events on the Branch's financial position.

Further stress testing is performed at the Enterprise level.

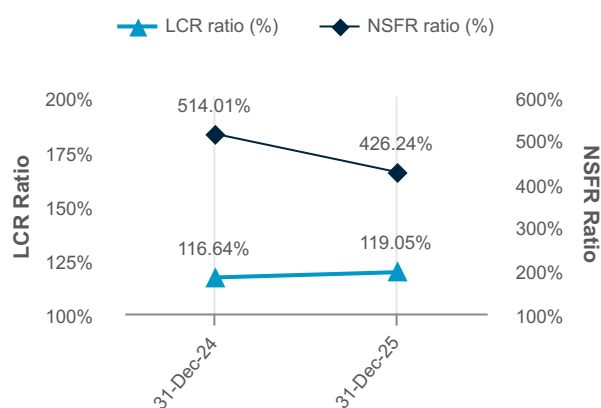
2.7 Article 447 CRR - Key Metrics

The Branch is required to disclose the Liquidity Coverage Ratio ('LCR') based on end-of-month observations over the preceding 12 months, in accordance with the requirements of Article 447(f) of CRR III. During 2025 the Branch exceeded the minimum LCR requirement, both on a spot basis and on a 12-month average basis.

Across the 12-month average, High Quality Liquid Assets ('HQLA') decreased by 15%, primarily due to lower central bank placements. Over the same period, the average LCR increased by approximately 2% points, reflecting a 17% decline in Total Net Cash Outflows ('TNCO'), mainly driven by reduced intergroup borrowings.

Equally, the Branch exceeded the minimum requirement for the Net Stable Funding Ratio ('NSFR'). The decrease in the NSFR being largely driven by increasing trade finance loans, contributing to an increase in required stable funding, while

available stable funding increased largely due to profit for the year. The Branch's balance sheet is liability driven, deposits drive placements and the ratios are shaped around these variables.



The following metrics reflect the Branch's risk profile:

Table 1: Key Metrics

(€m)	31-Dec-25	31-Dec-24
Liquidity Coverage Ratio ¹		
15 Total high-quality liquid assets (weighted value - average)	5,363	6,311
EU 16a Cash outflows - Total weighted value	4,673	5,581
EU 16b Cash inflows - Total weighted value	129	136
16 Total net cash outflows (adjusted value)	4,545	5,445
17 Liquidity coverage ratio (%)	119.05 %	116.64 %
Net Stable Funding Ratio ²		
18 Total available stable funding	649	609
19 Total required stable funding	152	118
20 NSFR ratio (%)	426.24 %	514.01 %

Note: Due to rounding there may be immaterial variations between Pillar 3 and regulatory submissions. Due to supervisory reporting exemptions outlined in section 1.2 and in accordance with Article 432, not all rows are disclosed.

¹ The Branch's LCR is presented using a twelve months average in line with the requirements of Article 451a (2) of CRR III.

² The Branch's NSFR is presented using point in time values in line with the requirements of Article 451a (3) of CRR III.

2.8 Article 451b CRR - Crypto-asset Exposures and Related Activities

In accordance with Article 432 CRR, there are no activities related to Crypto-assets within the Branch, hence transitional template EU CAE1 is not disclosed.

Remuneration

3 Article 450 CRR - Remuneration policy

3.1 Governance

The governance of remuneration matters for BNY and its group entities, including the Branch, is overseen by three committees, each with separate responsibilities in respect of remuneration as summarised below:

EMEA Remuneration Advisory Council ('ERAC') which is a regional governance body which oversees the development and implementation of policies and practices in line with specific regulatory provisions that apply to EMEA entities as well as ensuring consistency with Company principles. In 2025, the committee held three meetings.

The Company has delegated responsibility for overseeing the development and implementation of the Company's remuneration policies and practices in accordance with the relevant remuneration rules to the ERAC.

Human Resources and Compensation Committee ('HRCC') which is responsible for overseeing BNY's employee compensation and benefits policies and programmes globally. It reviews and is responsible for the compensation plans, policies and programs in which the senior officers participate and has general oversight for the other incentive, retirement, welfare and equity arrangements for all employees globally. The members of the HRCC are non-executive members of BNY's Board, acting on behalf of the BNY Board. In 2025, the committee held seven meetings.

Compensation Oversight Committee ('COC') provides oversight of all incentive plans and the process to evaluate misconduct-based incentive compensation reductions for employees. It is responsible for ensuring sound risk management, effective controls, and strong governance of the firm's compensation plans and incentive reduction processes. It advises the HRCC on any compensation risk issues. The members of the COC are senior members of BNY management, including the Chief People Officer ('CPO'), the Chief Risk Officer ('CRO'), the Chief Financial Officer ('CFO'), the Chief Auditor and the General Counsel. Independent review of incentive plans is under the purview of the CRO, and they report their assessment to the HRCC annually. In 2025, the committee held two meetings.

The Branch does not qualify as a significant institution in terms or for the purpose of the German Remuneration Regulation. Its average balance sheet value during the previous four fiscal years remains below the EUR 15 billion threshold. Also, the national regulator ('BaFin') has not determined the Branch to be significant. Furthermore, the Branch does not qualify as a 'qualified non-significant institution' according to Sec. 1(3) s.2 of the Remuneration Regulations for Institutions – Institutsvergütungsverordnung ('IVV'), since the Branch does not fulfil any of the case groups under Sec. 1(3) s.2 IVV. Consequently, the Branch is not subject to the additional requirements of the German Remuneration Regulation, including deferral and clawback of variable remuneration as well as taking into account the success of the institution or group as a whole and the contribution of the individual employee and its business unit.

3.2 Aligning pay with performance

BNY's compensation philosophy is to offer a total compensation opportunity that supports its Pillars & Principles, which pays for performance, both at the individual and corporate level. Individual and team contributions are valued and rewarded based on how both contribute to business results. In support of this philosophy, variable compensation is used as a means of recognising performance.

Through the compensation philosophy and principles, the interests of employees and shareholders are aligned by encouraging actions that contribute to superior financial performance and long-term shareholder value, by rewarding success and by ensuring that incentive compensation arrangements do not encourage employees to take unnecessary and excessive risks that threaten the value of BNY or benefit individual employees at the expense of shareholders or other stakeholders. The compensation structure is comprised of an appropriate mix of fixed and variable compensation that is paid over time. The aim is to ensure that both fixed and variable

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compensation are consistent with business and market practice, fixed compensation is sufficient to provide for a fully flexible variable compensation program, and variable compensation is in the form of annual and/or long-term incentives, and, where appropriate, granted over equity to align employee remuneration with that of shareholder growth.

For members of staff in control functions who, because of their job role, may have a material impact on the risk profile of the Branch and, consequently, are identified as risk takers, the maximum ratio of variable pay to fixed pay will be 100%.

Variable compensation plans are designed to reward performance at the corporate, business line (where relevant) and individual level. The performance management process ('PMP') of the Company includes Principles, Risk, and Results-Based goals. An employee's performance is assessed against all these goals. Risk outcomes identified in the PMP that result in a negative impact to the Branch are being considered when the incentive compensation of an employee is being determined. Negative contributions result in incentive adjustments or, depending on the scope of the impact, can even result in a zero incentive.

3.3 Reference to German remuneration report ("Vergütungsbericht")

For further details regarding the remuneration policy applied at the Branch and applicable quantitative metrics please refer to the Branch's Remuneration Policy Statement and the German Remuneration Report as disclosed on the German website of [BNY in Deutschland](#) according to the regulations as stipulated in the Institutsvergütungsverordnung.

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	CSTC	Capital and Stress Testing Committee
ACPR	Autorite de Controle Prudentiel et de Resolution	CT	Corporate Trust
AFR	Available Financial Resources	CTS	Client Technology Solutions
AIF	Alternative Investment Fund	DB	Deutsche Bank
ALCO	Asset and Liability Committee	DNB	De Nederlandsche Bank
AML	Anti-Money Laundering	DVP	Delivery versus Payment
AS	Asset Servicing	EAD	Exposure at default
AT1	Additional Tier 1	EC	European Commission
AUC	Assets Under Custody	ECL	Expected Credit Losses
BAC	Business Acceptance Committee	ECAP	Economic Capital
BAU	Business as usual	ECB	European Central Bank
BaFin	Federal Financial Supervisory Authority / Bundesanstalt für Finanzdienstleistungsaufsicht	ECM	Embedded Control Management
BDAS	Broker-Dealer and Advisory Services	EEC	EMEA Executive Committee
BDF	Banque De France	EHQLA	Extremely High Quality Liquid Assets
BEMCO	Belgium Management Council	EMEA	Europe, Middle East and Africa
BI	Banca D'Italia	ERGC	EMEA Remuneration Governance Committee
BMC	Branch Management Committee	ESRMC	EMEA Senior Risk Management Committee
BNY	The Bank of New York Mellon Corporation	EU	European Union
BNY SA/NV	The Bank of New York Mellon SA/NV	EUR	Euro
BNYIFC	BNY International Financing Corporation	EWI	Early Warning Indicators
BRC	Business Risk Committee	ExCo	Executive Committee
CASS	Client Asset Sourcebook Rules	FCA	Financial Conduct Authority
CBI	Central Bank of Ireland	FMUs	Financial market utilities
CCF	Credit Conversion Factor	FRS	Financial Reporting Standard
CEO	Chief Executive Officer	FSMA	Financial Services and Markets Authority
CEF	Critical Economic Function	FX	Foreign Exchange
CET1	Common Equity Tier 1	G-SIFI	Global Systemically Important Financial Institution
CGB	CASS Governance Body	GCA	Global Custody Agreement
CIS	Collective Investment Scheme	GSP	Global Securities Processing
CMA	Capital Market Authority	HLA	High-level Assessment
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
CSD	Client Service Delivery	ILAAP	Internal Liquidity Adequacy Assessment Process
CSRSFI	Committee for Systemic Risks and System-relevant Financial Institutions	ILG	Individual Liquidity Guidance
CSSF	Commission de Surveillance du Secteur Financier	IRRBB	Interest Rate Risk on Banking Book
		IMMS	International Money Management System
		ISDA	International Swaps and Derivatives Association

Acronym	Description
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	Markets in Financial Instruments Directive
MNA	Master Netting Agreements
MRMG	Model Risk Management Group
MRT	Material Risk Taker
NAV	Net Asset Value
NBB	National Bank of Belgium
NomCo	Nomination 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
P3DH	Pillar 3 Data Hub
P/L	Profit and Loss
PFE	Potential Future Exposure
PRA	Prudential Regulatory Authority
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
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 IV: The latest capital reforms and global liquidity standard by the Basel Committee on Banking Supervision ('BCBS') in 2025

BIPRU: Prudential sourcebook for banks, building societies and investment firms

Brexit: The United Kingdom's referendum decision to leave the EU

CRD VI: 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 IV 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 VI & CRR III, applies from 01 January 2025 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 IV 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

High-level Assessment ('HLA'): 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

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

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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 IV 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 VI requirements

Standardised Approach ('SA'): Method used to calculate credit risk capital requirements using the Basel IV, CRD VI, CRR 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 IV, 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



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