



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

# PILLAR 3 DISCLOSURE

December 31, 2025



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## Article 431 Attestation

The 31 December 2025 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 4.2.1 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 (our 'European Bank') processes for compliance with applicable laws, regulations and the internal policies including the Code of Conduct.

The disclosure was approved by the Board of the European Bank on 23 April 2026 and signed on its behalf by:



Ashik Jagtiani  
Chief Financial Officer  
Member of the Executive Committee

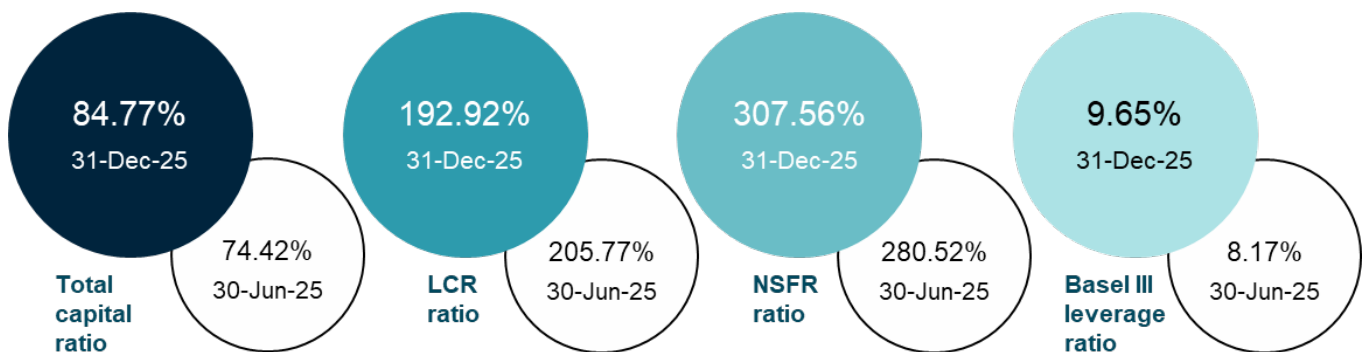
## 1 Article 431 CRR III - Disclosure requirements and policies

This Pillar 3 disclosure is published for the European Bank, in accordance with the disclosure principles of the National Bank of Belgium<sup>1</sup> ('NBB'), the Capital Requirements Directive<sup>2</sup> and the Capital Requirements Regulation<sup>3</sup>, complementing the Annual Accounts.

This disclosure encompasses the European Bank and its branches as at 31 December 2025. Please see page 11 for further information regarding the European Bank's preparations for the evolution of disclosures under CRR III. 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, the European Bank has applied 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.



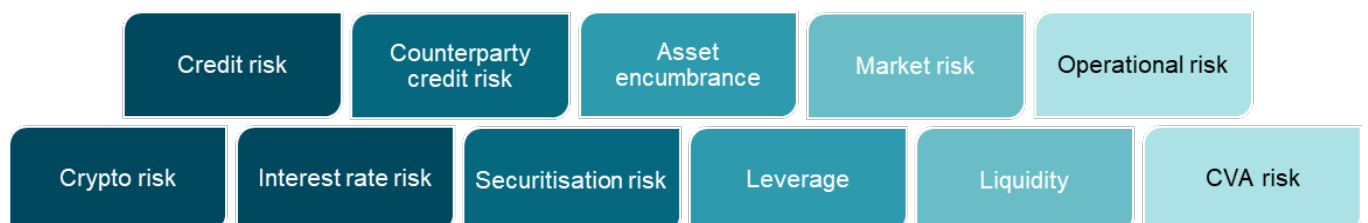
Note: Due to rounding there may be immaterial variations between Pillar 3 and regulatory submissions.

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, Pillar 3 principles require disclosure of risk management objectives and policies for each of the following concepts alongside defined quantitative disclosures:



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.

<sup>1</sup> NBB Supervisory Disclosure Rules and Guidance:

<https://www.nbb.be/en/financial-oversight/prudential-supervision/areas-responsibility/credit-institutions/supervisory-5>

<sup>2</sup> Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024, amending Directive 2013/36/EU.

<sup>3</sup> Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013.

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

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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. Where applicable, this is noted in the relevant section.

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. This disclosure does not constitute any form of financial statement on the business nor does it 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 III - Frequency, scope and means of disclosures

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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). Subject to a transitional period until 31 March 2026, annual disclosures will be published on the EBA's Pillar 3 Data Hub 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 EBA's Pillar 3 Data Hub 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 management body will ensure consistency between Pillar 3 disclosures, Pillar 1 supervisory reporting and ICAAP ('Internal Capital Adequacy Assessment Process') content. 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 disclosed in millions and supervisory reporting submitted in units. Values disclosed as zero represent amounts less than €0.5 million. Data points disclosed as a dash represent no disclosable amounts. Refer to the Pillar 3 Data Hub for disclosures in unrounded whole units.

The European Bank's Pillar 3 disclosures and annual report are published on the BNY corporate website which can be accessed using the link below, as well as via the Pillar 3 Data Hub:

[BNY Investor Relations - Pillar 3](#), see the Additional Country Disclosures section.

[EBA Pillar3 Data Hub](#)

## 1.4 Scope of the European Bank

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The Pillar 3 disclosure is 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.

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 collaboration with the FSMA 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).

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

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 from a 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.

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. On the 1 February 2021 the Madrid representative office was converted into the European Bank's Madrid Branch. 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.

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

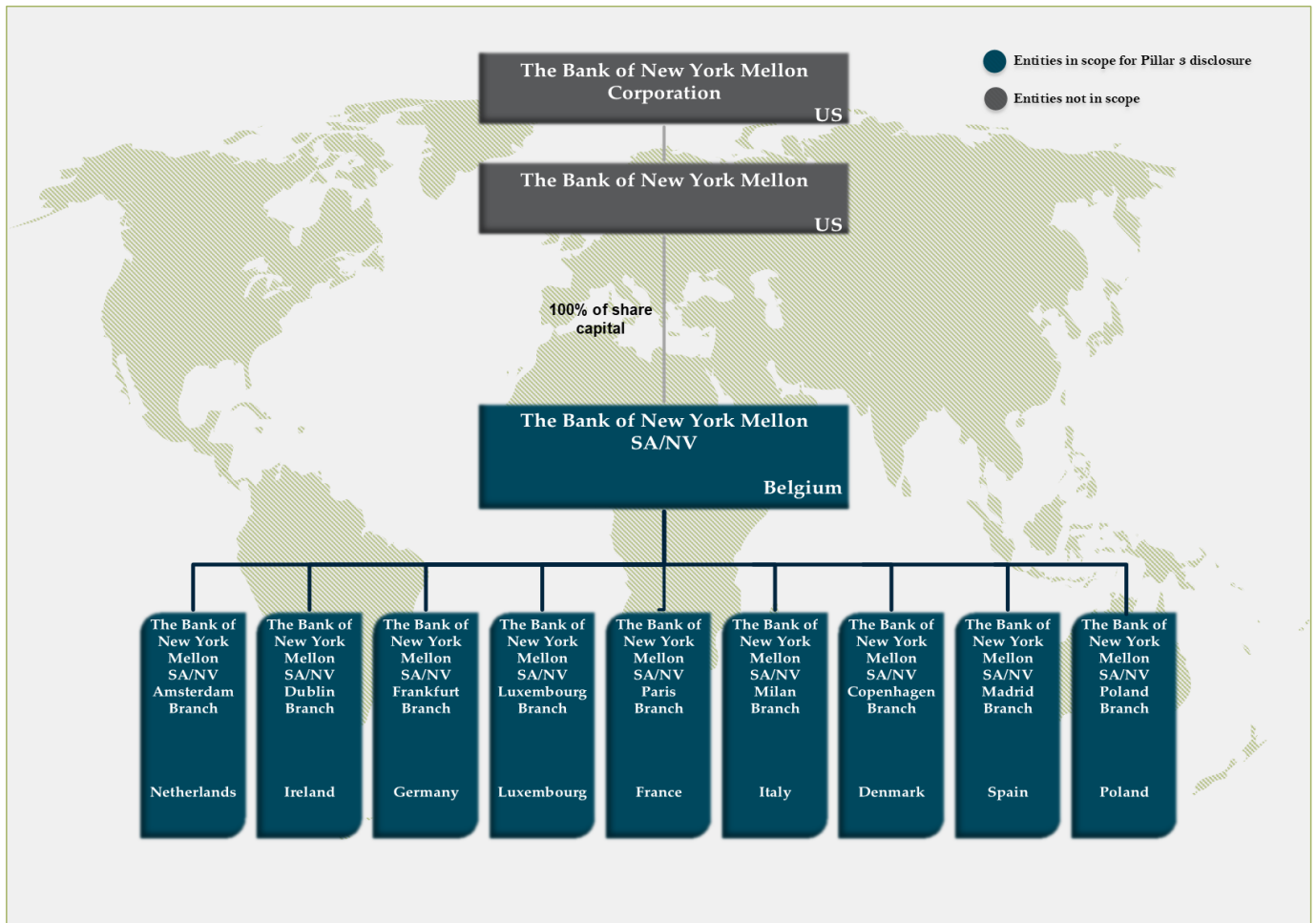
To support future growth, a non-regulated, non-contracting and non-deposit taking branch was opened in the first quarter of 2023 in Wrocław (Poland). Conversely, on the 4th July 2023 the European Bank's London Branch received local regulatory confirmation of the removal of licenses.

### 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 31 December 2025**



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

## 1.6 Business model

The European Bank's business model is consistent with the BNY's business model in providing investment services across the entire investment lifecycle and being largely fee-driven.

The majority of revenue is provided by non-interest fee income, providing a more annuity-like revenue stream that is less sensitive to stress scenarios. This results in a stable deposit base and revenue streams, even during periods of market stress. In addition, the European Bank experiences a low level of non-performing assets as a majority of its clients are large corporations and financial institutions. Furthermore, the European Bank is not active in lending but only in operational loans performed in the context of contractual settlement. Those exposures are covered through a lien on the assets. The European Bank balance sheet is characterized by highly liquid assets and a robust capital structure. Furthermore, the balance sheet is liability driven and managed in a way that ensures access to external funding sources at competitive rates if it would be required in a stress condition. Overall European Bank's business model is structured in a way that benefits from periods of global growth.

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

## 1.7 Core business lines

With activities focussed on Asset Servicing, Issuer Services, International Clearance and International Collateral Management, Markets and Global Payments & Trade, 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 Global Payments & Trade services. For Depositary Receipt Services, the European Bank only provides these to other legal entities within BNY. For Global Payments & Trade 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
<b>Asset Servicing</b>	Asset Servicing primarily comprises Custody, Data and Platform Solutions and Fund Services products groups. Main product is Custody but also includes Trustee & Depositary Services, Data and Platform, Middle Office Solutions, Accounting, Alternatives and Investor Services (Transfer Agency).
<b>Global Payments &amp; Trade</b>	The European Bank provides Relationship Management and Business Development, Global Client Support and Global Product Management Support.
<b>Issuer Services</b>	
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, exchange agent, custodian and collateral / portfolio administration.
Depositary Receipt Services	The European Bank's Dublin Branch performs certain operational activities relating to Depositary Receipts, predominantly issuance and cancellation. Depositary 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.
<b>Clearance and Collateral Management</b>	
International Clearance	International Clearance provides services that enable customers to settle securities in markets around the world and if required provides custody and asset servicing post settlement.
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.
<b>Markets</b>	
Liquidity & Margin Solutions	The European Bank provides liquidity services (cash balances, reporting and, purchase and redemption of money market instruments), and margin management services.
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 III - Key metrics

The following key metrics reflect the European Bank's risk profile.

### Regulatory capital and Risk-weighted assets (€m)

### Capital ratios



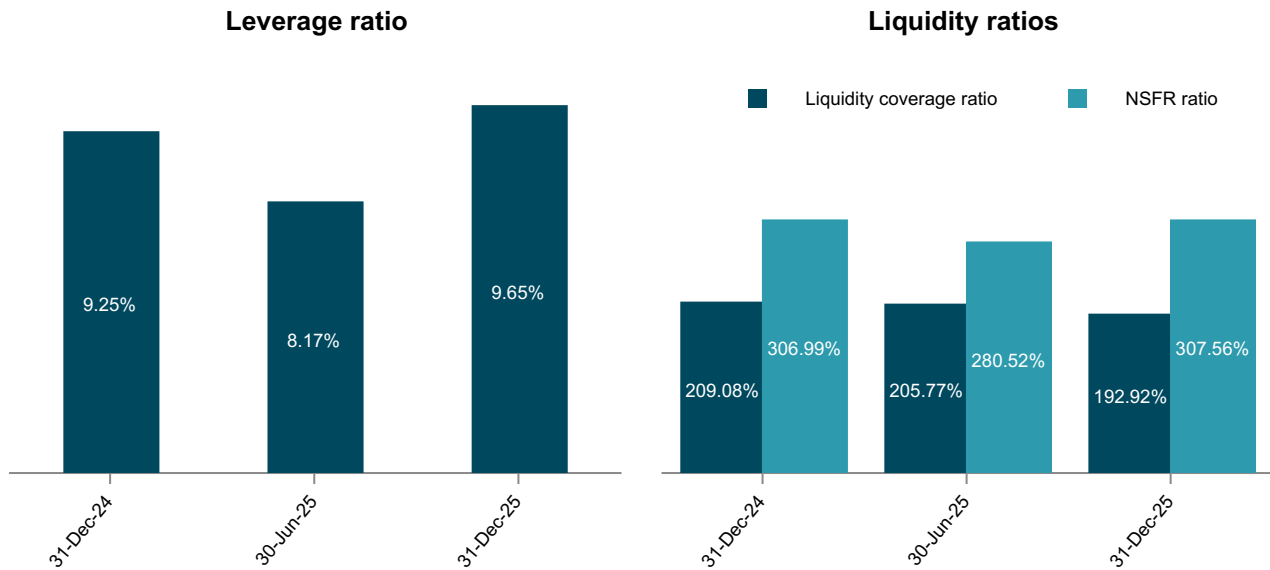


Table 1: EU KM1 Key metrics template

(€m)	31-Dec-25	30-Jun-25	31-Dec-24
<b>Available own funds (amounts)</b>			
1 Common Equity Tier 1 (CET1) capital	5,164	4,543	4,460
2 Tier 1 capital	5,164	4,543	4,460
3 Total capital	5,164	4,543	4,460
<b>Risk-weighted exposure amounts</b>			
4 Total risk exposure amount	6,092	6,105	5,810
4a Total risk exposure pre-floor	6,092	6,105	
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>			
5 Common Equity Tier 1 ratio (%)	84.77 %	74.42 %	76.76 %
5b Common Equity Tier 1 ratio considering unfloored TREA (%)	84.77 %	74.42 %	
6 Tier 1 ratio (%)	84.77 %	74.42 %	76.76 %
6b Tier 1 ratio considering unfloored TREA (%)	84.77 %	74.42 %	
7 Total capital ratio (%)	84.77 %	74.42 %	76.76 %
7b Total capital ratio considering unfloored TREA (%)	84.77 %	74.42 %	
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount) <sup>1</sup></b>			
EU 7d Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.05 %	2.05 %	1.95 %
EU 7e of which: to be made up of CET1 capital (percentage points)	1.15 %	1.15 %	1.10 %
EU 7f of which: to be made up of Tier 1 capital (percentage points)	1.54 %	1.54 %	1.46 %
EU 7g Total SREP own funds requirements (%)	10.05 %	10.05 %	9.95 %
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>			
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 (%)	0.92 %	1.01 %	1.15 %
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 (%)	4.17 %	4.26 %	4.40 %
EU 11a Overall capital requirements (%)	14.22 %	14.31 %	14.35 %
12 CET1 available after meeting the total SREP own funds requirements (%)	74.72 %	64.37 %	66.81 %
<b>Leverage ratio</b>			
13 Total exposure measure	53,534	55,585	48,224
14 Leverage ratio (%)	9.65 %	8.17 %	9.25 %
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>			
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 %
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>			
EU 14d Leverage ratio buffer requirement (%)	— %	— %	— %
EU 14e Overall leverage ratio requirement (%)	3.00 %	3.00 %	3.00 %

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

(€m)	31-Dec-25	30-Jun-25	31-Dec-24
<b>Liquidity Coverage Ratio</b>			
15 Total high-quality liquid assets (HQLA) (Weighted value -average)	35,284	33,549	30,789
EU 16a Cash outflows - Total weighted value	25,789	22,737	21,629
EU 16b Cash inflows - Total weighted value	7,314	6,114	6,810
16 Total net cash outflows (adjusted value)	18,475	16,623	14,820
17 Liquidity coverage ratio (%)	192.92 %	205.77 %	209.08 %
<b>Net Stable Funding Ratio</b>			
18 Total available stable funding	16,838	16,518	17,215
19 Total required stable funding	5,475	5,888	5,608
20 NSFR ratio (%)	307.56 %	280.52 %	306.99 %

<sup>1</sup> Represents the European Bank's Pillar 2 additional capital requirement.

Notes: 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. The disclosure of data for previous periods is not required where data is disclosed for the first time, in accordance with article 26(5) of Regulation (EU) 2024/3172.

Pillar 1 CET1 ratio (4.5%) plus Pillar 2 requirement CET1 ratio (1.15%).

Pillar 1 Tier 1 ratio (6%) plus Pillar 2 requirement Tier 1 ratio (1.54%).

TSCR CET1 ratio (5.65%) plus the combined buffer (4.17%).

TSCR Tier 1 ratio (7.54%) plus the combined buffer (4.17%).

OCR CET1 ratio (9.82%) plus Pillar 2 guidance (2.25%).

OCR T1 ratio (11.71%) plus Pillar 2 guidance (2.25%).

At the end of the current period, the European Bank's Regulatory Own Funds increased by €612 million on the prior quarter position, primarily due to recognition of profit for the year, plus a €4 million reduction in unrealised losses. Risk weighted assets also had a net increase of €139 million primarily due to the annual uplift of the operational risk exposure amount. Collectively, this resulted in an increase in the European Bank's capital ratio by 8.29% points.

Overall, for the year to December 2025, the European Bank's Regulatory Own Funds have increased by €704 million, primarily due to recognition of profit for the year, plus the notable reduction in unrealised losses. Risk weighted assets also increased by €282 million, largely due to the new Business Indicator ('BI') approach to operational risk, partly offset by reductions in CVA risk. Collectively, this resulted in an increase to the European Bank's capital ratio by 8.01%.

## Key External Factors Influencing the European Bank

The European Bank is exposed to geopolitical risks including the global trade war, conflicts, terrorism and cyber-attacks. BNY maintains controls, processes and policies that are designed to adhere to relevant sanctions, laws and regulations in countries in which BNY operates. BNY 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 European Bank continued to demonstrate strong financial resilience. The Bank 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.

Resilience remains both a core responsibility and a strategic differentiator for the European Bank. Through disciplined risk management and sustained balance sheet strength during a period of geopolitical and macroeconomic uncertainty, the Bank continues to support client confidence while meeting the expectations of supervisors and stakeholders across its markets.

The 2025 financial year represented an important milestone in the European Bank's operating model, with Assets under Custody exceeding €4 trillion for the first time and an expansion of securities portfolio. During the year, Assets under Custody ('AUC') increased to €4.190 trillion as at year-end 2025, compared to €3.860 trillion as at December 2024, reflecting continued organic growth driven by ongoing client activity and market developments. In addition, starting from 2025, the European Bank expanded its investment operations to include Dublin Branch in addition to the Brussels Head Office, further aligning and diversifying portfolio activities within the EB Group's branch structure and deployment of funds.

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

For the year ended 31 December 2025, the European Bank delivered a strong financial performance, with profit before tax from continuing operations increasing to €766.3 million, compared with €496.2 million in 2024, representing an improvement of €270.1 million (+54.4%). Net profit for the year amounted to €604.1 million, up €206.5 million (+51.9%) from €397.6 million in the prior year. This resulted in a return on equity of 13.0% (pre-allocation of current year earnings), compared with 9.6% in the prior year. The improvement in profitability (excluding notable one-off items), was primarily driven by higher operating income, supported by resilient net interest performance and strong growth in Securities Servicing fees, alongside lower Operating costs.

### **Operating Income**

Net interest income increased by €207.4 million to €496.4 million (2024: €289.1 million), reflecting a resilient performance despite a lower interest rate environment. This was supported by increased client deposits and strategic investments in fixed income products, including the securities portfolio and reverse repurchase agreements. This positive impact was partially offset by a €34.9 million decrease in gains from hedge accounting related to interest rate swaps, attributable to narrower swap yield spreads, a €30.9 million decline in FX swap income resulting from lower transaction volumes, and higher losses on the sale of debt instruments measured at fair value through other comprehensive income ('FVOCI'), €10.7 million.

Net fee and commission income increased to €595.6 million in 2025 (2024: €552.9 million), driven by strong business growth impacting AUC and new business across Asset Servicing, Markets, Clearance and Collateral Management, and Corporate Trust, and American Depositary Receipts ('ADR'). Fee and commission expenses increased in line with higher operational and custody volumes.

Other operating income increased by €50.6 million to €60.7 million (2024: €10.1 million), primarily reflecting a non-recurring income item relating to a German withholding tax claim provision originally recorded in 2019.

In 2025, 29% of the non-interest income is coming from intercompany transactions (2024: 34%).

### **Operating Expenses**

Total operating expenses decreased by €47.1 million to €407.0 million (2024: €454.2 million). Provisions declined significantly by €27.2 million to €19.8 million (2024: €47.0 million), mainly reflecting restructuring costs incurred in the prior year. Other operating expenses decreased by €14.1 million to €178.4 million, largely due to lower intercompany service support charges following the completion of significant engineering projects within the BNY Group. Personnel expenses decreased by €7.2 million to €191.3 million, primarily as a result of lower average headcount.

Total assets increased by 11% year on year to €48.9 billion as at 31 December 2025 (2024: €44.0 billion). The growth in the balance sheet was primarily driven by higher client deposit balances.

The strong net profit for the year resulted in a return on assets of 1.23% for 2025, compared with 0.9% in the prior year.

### **Business Evolution in 2025**

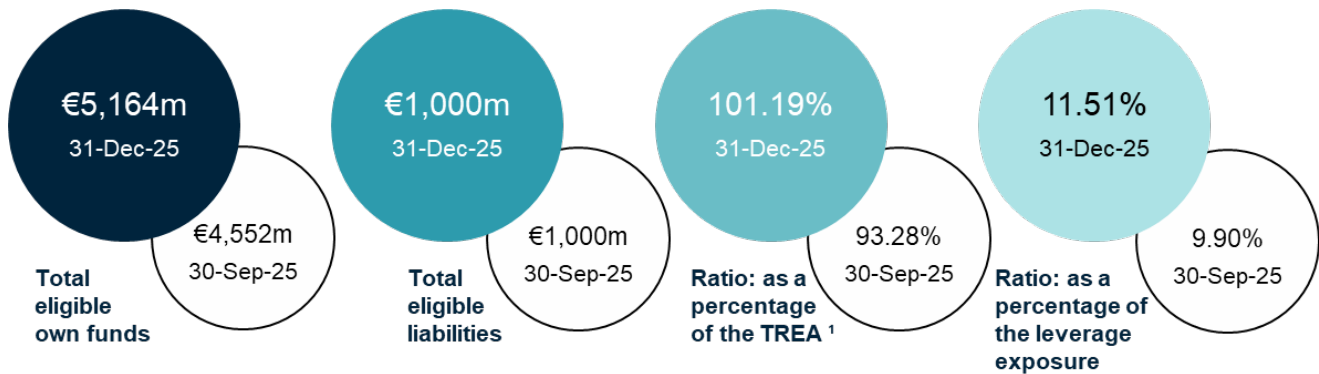
The latest iteration of Capital Requirements Regulation reforms became effective on 1 January 2025 ('CRR III'). Within CRR III, disclosure elements relating to the Own Funds requirement, CVA, Crypto Assets, Operational Risk, the Market Risk Alternative Standardised Approach ('MKR-ASA'), shadow banking and ESG related disclosures, became binding on a phased approach.

Similarly, updates to the Capital Requirements Directive ('CRD VI') are currently under review to ensure the European Bank's alignment with the evolving regulatory landscape. Upcoming changes relevant to the European Bank include ESG Risk, the Fit & Proper Regime, aspects of governance, and capital conservation planning. Detailed requirements remain subject to refinement as the programme progresses. Most CRD VI provisions are expected to become applicable from January 2026, following national transposition, with implementation occurring on a phased basis. Certain elements, notably third-country access and licensing provisions, are subject to transitional relief during 2026 and apply fully from January 2027. The European Bank continues to prepare accordingly.

The Pillar 3 Data Hub also came into effect with the first reference date being June 2025 with a transitional submission period available until the 31 March 2026 reference date. The European Bank's Pillar 3 disclosures can be accessed on the Pillar 3 Data Hub using the following link:

[EBA Pillar 3 Data Hub](#)

## 2 Article 436/437/437a CRR III - Scope of application, Own funds, Eligible liabilities

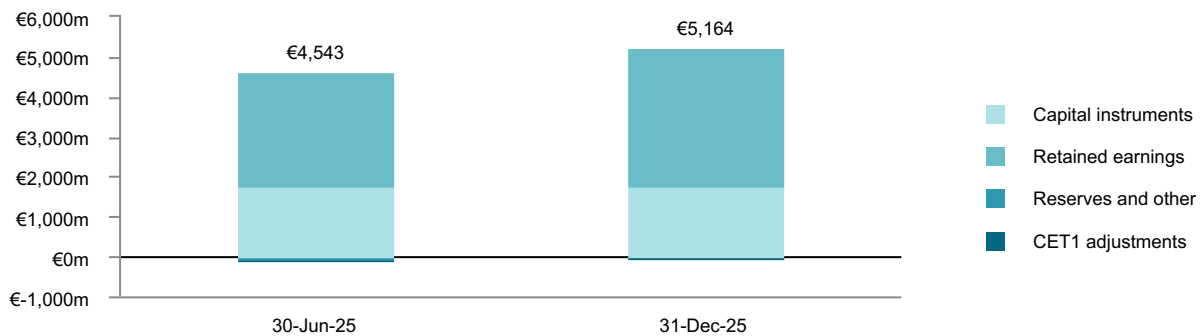


<sup>1</sup> Total Risk Exposure Amount

This section provides an overview of the regulatory balance sheet and composition of the European Bank's regulatory capital and eligible liabilities. There are no material differences between the balance sheet prepared in accordance with International Financial Reporting Standards ('IFRS') and Pillar 3 disclosures published in accordance with prudential requirements.

Own Funds comprise tier 1 capital less deductions. The European Bank's regulatory capital is defined by CRD and includes Common Equity Tier 1 capital which is the highest quality form of regulatory capital under Basel IV comprising common shares issued and related share premium, retained earnings, accumulated other comprehensive income, less specified regulatory adjustments and deductions.

### Composition of regulatory capital



**Table 2: EU CC1 Composition of regulatory own funds**

This table shows the composition of the European Bank's regulatory capital including all regulatory adjustments and a reference as to where these elements can be identified in the European Bank's financial statements in Table 3: EU CC2.

At 31 December 2025 (€m)	Amounts	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>		
1 Capital instruments and the related share premium accounts	1,788	
of which: instrument type 1 - ordinary shares	1,754	(a)
of which: instrument type 2 - share premium	33	(b)
of which: Instrument type 3	—	
2 Retained earnings	2,829	(c)
3 Accumulated other comprehensive income (and other reserves)	(7)	(d)
EU-3a Funds for general banking risk	—	
4 Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	—	
5 Minority interests (amount allowed in consolidated CET1)	—	
EU-5a Independently reviewed interim profits net of any foreseeable charge or dividend	604	(c)
<b>6 Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>5,214</b>	

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

At 31 December 2025 (€m)	Amounts	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 (CET1) capital: regulatory adjustments</b>		
7 Additional value adjustments	(16)	(e)
8 Intangible assets (net of related tax liability)	(56)	(f)
10 Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	—	
11 Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	—	
12 Negative amounts resulting from the calculation of expected loss amounts	—	
13 Any increase in equity that results from securitised assets (negative amount)	—	
14 Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	—	
15 Defined-benefit pension fund assets (negative amount)	(27)	(g)
16 Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	—	
17 Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	—	
18 Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	
19 Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	
EU-20a Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	—	
EU-20b of which: qualifying holdings outside the financial sector (negative amount)	—	
EU-20c of which: securitisation positions (negative amount)	—	
EU-20d of which: free deliveries (negative amount)	—	
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	—	
22 Amount exceeding the 17,65% threshold (negative amount)	—	
23 of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	—	
25 of which: deferred tax assets arising from temporary differences	—	
EU-25a Losses for the current financial year (negative amount)	—	
EU-25b Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	—	
27 Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	—	
27a Other regulatory adjustments	50	(d)
<b>28 Total regulatory adjustments to Common Equity Tier 1 (CET1)</b>	<b>(50)</b>	
<b>29 Common Equity Tier 1 (CET1) capital</b>	<b>5,164</b>	
<b>Additional Tier 1 (AT1) capital: instruments</b>		
30 Capital instruments and the related share premium accounts	—	
31 of which: classified as equity under applicable accounting standards	—	
32 of which: classified as liabilities under applicable accounting standards	—	
33 Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1 as described in Article 486(3) of CRR	—	
EU-33a Amount of qualifying items referred to in Article 494a(1) subject to phase out from AT1	—	
EU-33b Amount of qualifying items referred to in Article 494b(1) subject to phase out from AT1	—	
34 Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	—	
35 of which: instruments issued by subsidiaries subject to phase out	—	
<b>36 Additional Tier 1 (AT1) capital before regulatory adjustments</b>	<b>—</b>	
<b>Additional Tier 1 (AT1) capital: regulatory adjustments</b>		
37 Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	—	
38 Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	—	
39 Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	
40 Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	—	
42 Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	—	
42a Other regulatory adjustments to AT1 capital	—	
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital	—	
<b>44 Additional Tier 1 (AT1) capital</b>	<b>—</b>	
<b>45 Tier 1 capital (T1 = CET1 + AT1)</b>	<b>5,164</b>	

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At 31 December 2025 (€m)	Amounts	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation
<b>Tier 2 (T2) capital: instruments</b>		
46 Capital instruments and the related share premium accounts	—	
47 Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2 as described in Article 486 (4) CRR	—	
EU-47a Amount of qualifying items referred to in Article 494a (2) subject to phase out from T2	—	
EU-47b Amount of qualifying items referred to in Article 494b (2) subject to phase out from T2	—	
48 Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	—	
49 of which: instruments issued by subsidiaries subject to phase out	—	
50 Credit risk adjustments	—	
<b>51 Tier 2 (T2) capital before regulatory adjustments</b>	<b>—</b>	
<b>Tier 2 (T2) capital: regulatory adjustments</b>		
52 Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	—	
53 Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	—	
54 Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	—	
55 Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	—	
EU-56a Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	—	
56b Other regulatory adjustments to T2 capital	—	
57 Total regulatory adjustments to Tier 2 (T2) capital	—	
<b>58 Tier 2 (T2) capital</b>	<b>—</b>	
<b>59 Total capital (TC = T1 + T2)</b>	<b>5,164</b>	
<b>60 Total risk exposure amount</b>	<b>6,092</b>	
<b>Capital ratios and requirements including buffers</b>		
61 Common Equity Tier 1 (as a percentage of total risk exposure amount)	84.77 %	
62 Tier 1 (as a percentage of total risk exposure amount)	84.77 %	
63 Total capital (as a percentage of total risk exposure amount)	84.77 %	
64 Institution CET1 overall capital requirements	9.82 %	
65 of which: capital conservation buffer requirement	2.50 %	
66 of which: countercyclical buffer requirement	0.92 %	
67 of which: systemic risk buffer requirement	— %	
EU-67a of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.75 %	
EU-67b of which: additional own funds requirements to address the risks other than the risk of excessive leverage	1.15 %	
<b>68 Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements</b>	<b>74.72 %</b>	
<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
72 Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	—	
73 Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	—	
75 Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	26	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
76 Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	—	
77 Cap on inclusion of credit risk adjustments in T2 under standardised approach	47	
78 Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	—	
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	—	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)</b>		
80 Current cap on CET1 instruments subject to phase out arrangements	—	
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	—	
82 Current cap on AT1 instruments subject to phase out arrangements	—	
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	—	
84 Current cap on T2 instruments subject to phase out arrangements	—	
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	—	

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

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

In accordance with article 48 of the CRR, deferred tax assets arising from temporary differences are not deducted from CET1 where they fall below the applicable individual and aggregate thresholds. The European Bank's deferred tax assets amount of €26 million are below the 17.65% CET1 threshold, net of related deferred tax liabilities in accordance with Article 38(3). As a result, these amounts are not deducted from CET1 and are subject to a 250% risk weighting. These deferred tax assets are the only threshold-based CET1 deduction exemption applicable to the European Bank.

**Table 3: EU CC2 Reconciliation of regulatory own funds to balance sheet in the audited financial statements**

The table shows a reconciliation of the European Bank's published balance sheet, prepared in accordance with International Financial Reporting Standards ('IFRS'), with the elements of regulatory Own Funds under prudential rules denoted by a reference which can be traced back to Table 2: EU CC1 Composition of regulatory own funds. The balance sheet under the regulatory scope of consolidation forms the basis for the calculation of regulatory capital requirements.

There is no difference in the regulatory and accounting scope of consolidation for the European Bank, hence the two columns have been merged.

At 31 December 2025 (€m)	Balance sheet as in the published financial statements	Reference
<b>Assets - Breakdown by asset classes according to the balance sheet in the published financial statements</b>		
1 Cash and cash balances with central banks	11,185	
2 Derivative financial instruments <sup>1</sup>	454	(e)
3 Loans and advances to customers	15,603	
4 Investment securities <sup>2</sup>	20,817	(e)
5 Current tax assets	46	
6 Other assets <sup>4</sup>	729	(g)
7 Property and equipment	28	
8 Deferred tax assets	0	
9 Goodwill and other intangible assets <sup>5, 6</sup>	57	(f)
<b>10 Total assets</b>	<b>48,918</b>	
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements</b>		
1 Derivative financial instruments <sup>3</sup>	474	(e)
2 Deposits from central banks	23	
3 Deposits from financial institutions	41,361	
4 Deposits from non-financial institutions	200	
5 Subordinated liabilities	1,000	
6 Other financial liabilities	16	
7 Current tax liabilities	112	
8 Other liabilities	424	(g)
9 Provisions	17	
10 Deferred tax liabilities <sup>4, 6</sup>	27	(f)
<b>11 Total liabilities</b>	<b>43,654</b>	
<b>Shareholders' Equity</b>		
1 Issued capital	1,754	(a)
2 Share premium	33	(b)
3 Retained earnings <sup>8</sup>	3,425	(c)
4 Other reserves <sup>7, 8</sup>	51	(d)
<b>5 Total shareholders' equity</b>	<b>5,264</b>	

<sup>1</sup> Of which €213 million is subject to capital deduction of 0.1% as a Prudential Valuation Adjustment.

<sup>2</sup> Of which €15,726 million is subject to capital deduction of 0.1% as a Prudential Valuation Adjustment.

<sup>3</sup> Of which €229 million is subject to capital deduction of 0.1% as a Prudential Valuation Adjustment.

<sup>4</sup> Of which €34 million is subject to capital deduction as a defined benefit pension fund asset, with associated deferred tax liability of €7 million.

<sup>5</sup> Of which €4 million is subject to capital deduction as goodwill.

<sup>6</sup> Of which €53 million is subject to capital deduction as other intangible assets, with associated deferred tax liability of €1 million.

<sup>7</sup> Of which €(7) million relates to accumulated other comprehensive income and €50 million relates to share based payments.

<sup>8</sup> Table CC1 differs by approximately €9 million due to a reclass which is accounted for within Other Reserves in the financial accounts.

Additional value adjustments to assets measured at fair value are deducted from CET1 in accordance with Articles 34 and 105 of the CRR, as maintained under CRR III. Prudent valuation adjustments are currently not deducted from credit risk exposure value.

In accordance with Articles 36, 37 and 41 of the CRR, amounts of intangible assets and defined benefit pension fund assets, net of their related deferred tax liabilities, are deducted from the CET1.

In accordance with Article 436 of the CRR, the table on the following page illustrates the mapping of the balance sheet categories with prudential risk categories.

Table 4: EU LI1 - Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories

At 31 December 2025 (€m)	Carrying values as reported in published financial statements	Carrying values of items					Not subject to own funds requirements or subject to deduction from own funds
		Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework		
<b>Breakdown by asset classes according to the balance sheet in the published financial statements</b>							
1	Cash and cash balances with central banks	11,185	11,185	—	—	—	—
2	Derivative financial instruments	454	—	454	—	357	—
3	Loans and advances to customers	15,603	6,485	9,118	—	15,327	—
4	Investment securities	20,817	20,301	—	516	6,634	—
5	Current tax assets	46	46	—	—	5	—
6	Other assets	729	702	—	—	343	27
7	Property and equipment	28	28	—	—	—	—
8	Deferred tax assets	0	0	—	—	—	—
9	Goodwill and other intangible assets	57	1	—	—	35	56
10	<b>Total assets</b>	<b>48,918</b>	<b>38,747</b>	<b>9,572</b>	<b>516</b>	<b>22,701</b>	<b>83</b>
<b>Breakdown by liability classes according to the balance sheet in the published financial statements</b>							
1	Derivative financial instruments	474	—	474	—	375	—
2	Deposits from central banks	23	—	—	—	14	23
3	Deposits from financial institutions	41,361	—	274	—	24,648	41,087
4	Deposits from non-financial institutions	200	—	—	—	88	200
5	Subordinated liabilities	1,000	—	—	—	—	1,000
6	Other financial liabilities	16	—	—	—	0	16
7	Current tax liabilities	112	—	—	—	9	112
8	Other liabilities	424	—	—	—	195	424
9	Provisions	17	—	—	—	0	17
10	Deferred tax liabilities	27	—	—	—	3	27
11	<b>Total liabilities</b>	<b>43,654</b>	<b>—</b>	<b>748</b>	<b>—</b>	<b>25,333</b>	<b>42,906</b>

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. A three-level hierarchy for fair value measurements is utilised based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date.

Fair value focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. The fair value for financial instruments traded in active markets at the consolidated statement of financial position date is based on their quoted market price, without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which market observable prices exist, options pricing models, credit models and other relevant valuation models.

The European Bank has only level 1 and level 2 financial instruments. As such the European Bank does not use any internal valuation models with unobservable data for the determination of the fair value.

**Table 5: EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements**

At 31 December 2025 (€m)	Total	Items subject to			
		Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1 <b>Assets carrying value amount under the scope of prudential consolidation (as per template LI1)</b>	<b>48,834</b>	<b>38,747</b>	<b>516</b>	<b>9,572</b>	<b>22,701</b>
2 <b>Liabilities carrying value amount under the scope of prudential consolidation (as per template LI1)</b>	<b>748</b>	<b>—</b>	<b>—</b>	<b>748</b>	<b>25,333</b>
3 <b>Total net amount under the scope of prudential consolidation</b>	<b>48,086</b>	<b>38,747</b>	<b>516</b>	<b>8,824</b>	<b>(2,632)</b>
4 Off-balance-sheet amounts	34	34	—	—	
5 Differences in valuations	(16)	(16)	—	—	
6 Differences due to different netting rules, other than those already included in row 2	4,537	4,537	—	—	
7 Differences due to consideration of provisions	—	—	—	—	
8 Differences due to the use of credit risk mitigation techniques (CRMs)	(8,071)	(8,071)	—	—	
9 Differences due to credit conversion factors	(27)	(27)	—	—	
10 Differences due to Securitisation with risk transfer	—	—	—	—	
11 Other differences	(8,010)	34	—	(8,045)	
12 <b>Exposure amounts considered for regulatory purposes</b>	<b>36,533</b>	<b>35,238</b>	<b>516</b>	<b>779</b>	<b>122</b>

Carrying values subject to market risk represent all FX currency balances other than the European Bank's reporting currency (EUR). The European Bank also holds derivatives in the trading book that are not back-to-back instruments. These are also subject to market risk via position risk, including instruments denominated in the European Bank's reporting currency. These amounts can also be included in exposures subject to the other listed frameworks.

The difference in regards to the market risk exposure amount considered for regulatory purposes relates in principle to the methodologies applied in determining the exposure value under Article 325 of the CRR. This considers the carrying amounts of currencies on the balance sheet to be either net long or net short positions. The higher of all net long or net short currencies, after exclusion of the reporting currency (EUR) for FX risk, then forms the basis of the regulatory exposure.

The European Bank discloses its CCR under the standardised approach for counterparty credit risk ('SA-CCR'), being a more risk-sensitive measure. The other difference relates to the application of methodologies inherent in the framework required to arrive at the exposure amount considered for regulatory purposes, which includes a default fund contribution.

Off-balance sheet amounts largely relate to a guarantee to external customers, which is subject to a 20% credit conversion factor. Differences in validations relate to the European Bank's Prudent Valuation Adjustment, see below. Differences due to different netting rules relate to the netting of tax payables and receivables, and the gross up of netted cash balances required under the prudential scope (being cash pooling arrangements).

Differences due to CRMs mostly relates to the effect of netted cash balances, Master Netting Agreements ('MNAs') in place, and other eligible collaterals. Other remaining differences in the credit risk framework are primarily comprised of deferred tax valuation differences, along with accrued interest, and other immaterial differences.

**Table 6: EU PV1 - Prudent valuation adjustments (PVA)**

The following table shows the European Bank's application of additional valuation adjustments by category and uncertainty in application of Article 436(e) of the CRR.

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

At 31 December 2025 (€m)	Risk category					Category level AVA - Valuation uncertainty		Total category level post- diversification			
	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA	Of which: Total core approach in the trading book	Of which: Total core approach in the banking book		
1	Market price uncertainty	—	—	—	—	—	—	—	—	—	
2	Not applicable	—	—	—	—	—	—	—	—	—	
3	Close-out cost	—	—	—	—	—	—	—	—	—	
4	Concentrated positions	—	—	—	—	—	—	—	—	—	
5	Early termination	—	—	—	—	—	—	—	—	—	
6	Model risk	—	—	—	—	—	—	—	—	—	
7	Operational risk	—	—	—	—	—	—	—	—	—	
8	Not applicable	—	—	—	—	—	—	—	—	—	
9	Not applicable	—	—	—	—	—	—	—	—	—	
10	Future administrative costs	—	—	—	—	—	—	—	—	—	
11	Not applicable	—	—	—	—	—	—	—	—	—	
12	<b>Total Additional Valuation Adjustments (AVAs)</b>								<b>16</b>	—	—

**Table 7: 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 31 December 2025 in accordance with Annex VII of Regulation (EU) No. 575/2013.

Refer to Appendix 4 for the full terms and conditions of Common Equity Tier 1 instruments in accordance with Article 437(c) CRR II.

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
<b>Regulatory treatment</b>			
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
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 <sup>2</sup>	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
<b>Coupons / dividends</b>			
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

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Main features of reg capital instruments		Ordinary Shares	Eligible Liabilities
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

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

<sup>2</sup> 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.

Authorised, issued and fully paid	2025	2024
Ordinary shares of €1,038.5 each (2024: €1,038.5)	1,689	1,689

BNY has share option schemes under which options to subscribe for BNY shares have been granted to certain executives and senior employees of the European Bank, however share options do not have an impact on the European Bank's issued capital.

## Table 8: 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 Article 92b of CRR III, the table below shows the European Bank's minimum requirement for eligible liabilities, being a material subsidiary of a non-EU G-SII.

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 or 90% of 6.75% Leverage Ratio Exposure, whichever is higher. The European Bank complies with the current target levels for iMREL and iTLAC.

At 31 December 2025 (€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
<b>Applicable requirement and level of application</b>				
EU-1	Is the entity subject to a non-EU G-SII requirement for own funds and eligible liabilities? (Y/N)			Y
EU-2	If EU-1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			I
EU-2a	Is the entity subject to an internal MREL? (Y/N)			Y
EU-2b	If EU-2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			I
<b>Own funds and eligible liabilities</b>				
EU-3	Common Equity Tier 1 capital (CET1)	5,164	5,164	
EU-4	Eligible Additional Tier 1 capital	—	—	
EU-5	Eligible Tier 2 capital	—	—	
EU-6	Eligible own funds	5,164	5,164	
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	6,164	6,164	

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Total risk exposure amount and total exposure measure				
EU-10	Total risk exposure amount (TREA)	6,092	6,092	
EU-11	Total exposure measure (TEM)	53,534	53,534	
Ratio of own funds and eligible liabilities				
EU-12	Own funds and eligible liabilities as a percentage of the TREA	101.19 %	101.19 %	
EU-13	of which permitted guarantees	— %		
EU-14	Own funds and eligible liabilities as a percentage of the TEM	11.51 %	11.51 %	
EU-15	of which permitted guarantees	— %		
EU-16	CET1 (as a percentage of the TREA) available after meeting the entity's requirements	62.27 %	62.27 %	
EU-17	Institution-specific combined buffer requirement		4.17 %	
Requirements				
EU-18	Requirement expressed as a percentage of the TREA	22.50 %	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 %	6.08 %	
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		42,229	

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

Compared to September 2025, the European Bank's Own Funds increased primarily due to the inclusion of audited profit for the year. The Total Risk Exposure Amount ('TREA') was higher, mainly as a result of the annual recalculation of operational risk, which itself was partly offset by lower credit risk drivers, resulting in a 7.91% point rise in the own funds and eligible liabilities ratio (vs TREA). The Total Exposure Measure ('TEM') fell slightly, leading to the eligible liabilities ratio (vs TEM) to rise by a moderate 1.61% points. Excluded liabilities fell approximately €2.2 billion, down 5.01% points, driven by a €1.5 billion fall in secured liabilities. Liabilities to other institutions with maturities of less than seven days were also down €0.8 billion.

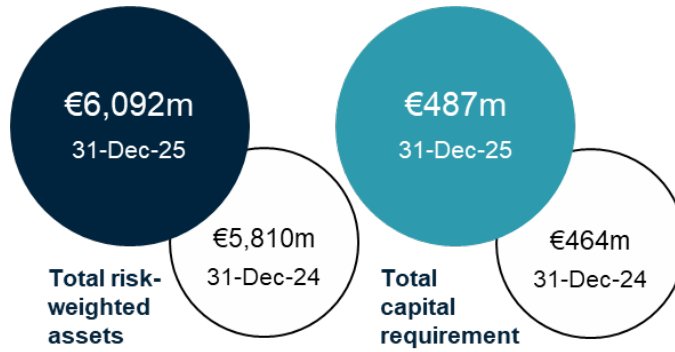
## Table 9: EU TLAC2 Creditor ranking - Entity that is not a resolution entity

In accordance with the requirements of Article 437a(b) of CRR III, on the table below shows the ranking of the European Bank's eligible liabilities in the creditor hierarchy.

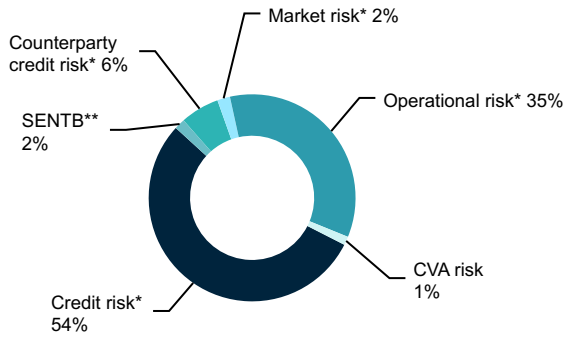
At 31 December 2025 (€m)	Insolvency ranking				Sum of 1 to n	
	1	4	6	6		
	(Most junior) Resolution entity	Resolution entity	(Most senior) Resolution entity	(Most senior) Other		
1	Empty set in the EU					
2	Description of insolvency rank (free text)					
3	Liabilities and own funds	4,660	1,000	4,714	33,460	43,834
4	of which excluded liabilities	—	—	4,662	33,088	37,750
5	Liabilities and own funds less excluded liabilities	4,660	1,000	52	373	6,084
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]	4,660	1,000	—	—	5,660
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	4,660	—	—	—	4,660

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

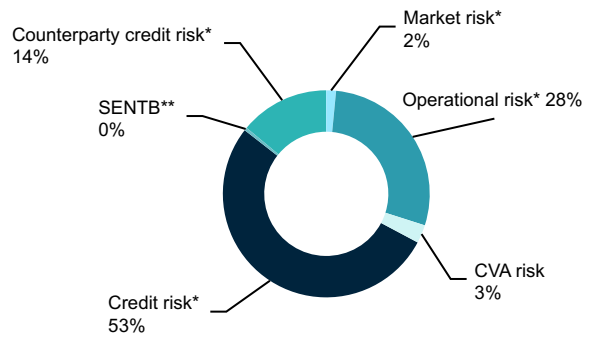
### 3 Article 438 CRR III - Own funds requirements and risk-weighted exposure amounts



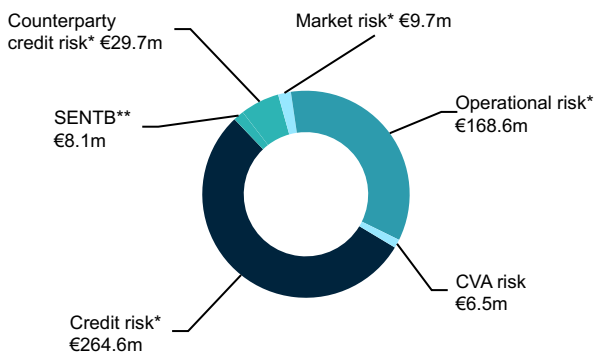
**Risk exposure by risk type at 31 December 2025**



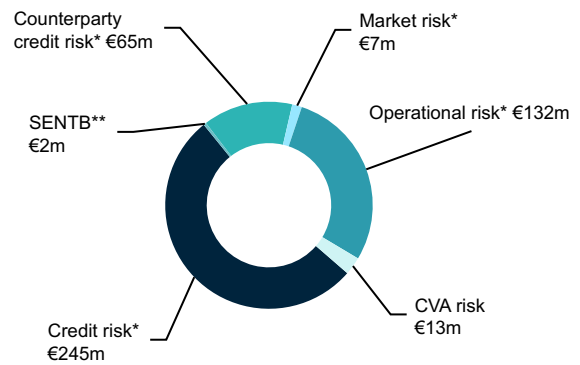
**Risk exposure by risk type at 31 December 2024**



**Capital requirements by risk type at 31 December 2025**



**Capital requirements by risk type at 31 December 2024**



\* Standardised approach framework

\*\* SEC-ERBA framework

CVA: Credit Valuation Adjustment. Disclosed for the first time as a separate risk type under CRR III. The comparative has been updated to align.

SENTB: Securitisation exposures in the non-trading book

The European Bank's capital management strategy is to maintain appropriate capital commensurate with its risks and business strategy and to ensure capital is sufficient to meet the risk appetite requirements in relation to the regulatory expectations and internally assessed capital requirements. Balance sheet management decisions, such as the deployment of excess capital considers capital adequacy requirements and the need to ensure compliance with the Board's Risk Appetite. Decisions are made after comprehensive reviews of key capital ratios and metrics to ensure strategic and regulatory objectives are satisfied.

Each year European Bank Treasury, together with the Finance and Risk teams, develops a capital plan that includes forecast capital levels and ratios, with specific plans for any capital issuances, distributions, or deployment. The plan includes economic and financial forecasts under normal (base) circumstances, as well as

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the results of any applicable sensitivities in order to assess the impact on available headroom given various plausible risks to the capital position or capital requirements.

The capital plan effectively incorporates a view of the European Bank's current business model, the risks associated with that model, and an assessment of how those risks contribute to the amount of capital required, as per internal and external regulatory criteria. The capital plan is subject to Executive Committee ('ExCo') and Board approval (upon recommendation of the Risk Committee of the Board) and the performance metrics are reviewed by the BNY Asset and Liability Committee ('ALCO') and the European Bank Capital Stress Testing Oversight Group ('C-STOG').

### 3.1 Calculating capital requirements

The European Bank applies the standardised approach under Pillar 1 for the majority of risk types. Securitisation risk follows the external ratings based approach. CVA risk follows the reduced-basic approach.

The table shows the European Bank's risk-weighted assets ('RWAs') using the stated approaches and their respective capital requirements. An 8% factor is applied to the risk weighted assets to calculate the capital requirement. The European Bank has an immaterial exposure to central counterparties ('CCP'). There are also no risk-weighted assets relating to settlement risk or large exposures in the trading book for both the current and comparative disclosure period.

**Table 10: EU OV1 Overview of total risk exposure amounts**

(€m)	Total risk exposure amounts (TREA)		Total own funds requirements
	31-Dec-25	31-Dec-24	31-Dec-25
<b>1 Credit risk (excluding CCR)</b>	<b>3,308</b>	<b>3,066</b>	<b>265</b>
2 Of which the standardised approach	3,308	3,066	265
3 Of which the foundation IRB (F-IRB) approach	—	—	—
4 Of which: slotting approach	—	—	—
EU 4a Of which: equities under the simple riskweighted approach	—	—	—
5 Of which the advanced IRB (A-IRB) approach	—	—	—
<b>6 Counterparty credit risk - CCR</b>	<b>371</b>	<b>812</b>	<b>30</b>
7 Of which the standardised approach	353	786	28
8 Of which internal model method (IMM)	—	—	—
EU 8a Of which exposures to a CCP	0	0	0
9 Of which other CCR	18	25	1
<b>10 Credit valuation adjustments risk - CVA risk</b>	<b>82</b>	<b>165</b>	<b>7</b>
EU 10a Of which the standardised approach (SA)	—	—	—
EU 10b Of which the basic approach (F-BA and R-BA) <sup>1</sup>	82	—	7
EU 10c Of which the simplified approach	—	—	—
<b>15 Settlement risk</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>16 Securitisation exposures in the non-trading book (after the cap)</b>	<b>102</b>	<b>26</b>	<b>8</b>
17 Of which SEC-IRBA approach	—	—	—
18 Of which SEC-ERBA (including IAA)	102	26	8
19 Of which SEC-SA approach	—	—	—
EU 19a Of which 1250% / deduction	—	—	—
<b>20 Position, foreign exchange and commodities risks (Market risk)</b>	<b>122</b>	<b>90</b>	<b>10</b>
21 Of which the Alternative standardised approach (A-SA)	—	—	—
EU 21a Of which the Simplified standardised approach (S-SA)	122	90	10
22 Of which Alternative Internal Model Approach (A-IMA)	—	—	—
EU 22a <b>Large exposures</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>23 Reclassifications between the trading and non-trading books</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>24 Operational risk <sup>2</sup></b>	<b>2,108</b>	<b>1,651</b>	<b>169</b>
EU 24a <b>Exposures to crypto-assets</b>	<b>—</b>	<b>—</b>	<b>—</b>
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	65	48	5
26 <b>Output floor applied (%)</b>	<b>—</b>	<b>—</b>	<b>—</b>
27 <b>Floor adjustment (before application of transitional cap)</b>	<b>—</b>	<b>—</b>	<b>—</b>
28 <b>Floor adjustment (after application of transitional cap)</b>	<b>—</b>	<b>—</b>	<b>—</b>
29 <b>Total</b>	<b>6,092</b>	<b>5,810</b>	<b>487</b>

<sup>1</sup> The disclosure of data for previous periods is not required where data is disclosed for the first time, in accordance with article 26(5) of Regulation (EU) 2024/3172. This applies to rows EU 10a-c. The prior CVA calculation was derived from the standardised approach under CRR II.

<sup>2</sup> The calculation methodology for operational risk has also been revised in CRR III. The prior period is disclosed in row 24 but was derived from the standardised approach under CRR II.

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Risk-weighted assets for credit risk increased year on year. This was mostly driven by increases in exposures classed as other by €214 million. Similarly, covered bond exposure was up €42m. Increases in exposures to central governments were largely offset by decreases in exposures to public sector entities. Exposures to institutions and corporates were largely flat year on year.

Counterparty credit risk weighted assets saw a notable decrease of around €441 million primarily due to lower derivative and securities financing transaction related activity. This also led to a decrease in credit valuation adjustments.

Market risk weighted assets increased largely due to higher foreign exchange and higher debt instrument position risk.

The RWA for operational risk has increased in accordance with the annual re-calculation to incorporate the impact of results from the prior three years. Generally the RWA for operational risk is re-calculated annually in Q4, once the prior year's profits are recognised following the audit. Profit for the year has therefore been included in the Q4 operational risk calculation.

The European Bank exceeds the minimum capital ratios required to maintain a well-capitalised status and to ensure compliance with regulatory requirements at all times. The European Bank sets the internal capital target levels higher than the minimum regulatory requirements to ensure there is a buffer which reflects balance sheet volatility. These ratios have been determined to be appropriate, sustainable and consistent with the capital objectives, business model, risk appetite and capital plan.

### 3.2 Equity exposures

In accordance with the disclosure requirement of Article 438(e), as at 31 December 2025 the European Bank has the following equity exposure.

Equity exposures under Articles 133 (3) to (6) and 495a(3) CRR						
	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
Equity exposures	a	b	c	d	e	f
<b>Total</b>	<b>4</b>	<b>—</b>	<b>100 %</b>	<b>4</b>	<b>4</b>	

#### 4 Article 435 CRR III - 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 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.

##### Risk statement

In accordance with Article 12 of Annex IV of the Belgian Banking Law, the European Bank has been identified as a Systemically Important Financial Institution ('SIFI') in Belgium reinforcing the importance of an appropriate risk management function.

The European Bank has adopted a conservative capital risk appetite 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 strong capital structure whilst delivering operational excellence to meet stakeholders' expectations. Any changes to the risk profile are typically a result of new business and growth with risks mitigated through the internal governance, controls and risk management practices.

The European Bank is mainly exposed to credit, market and operational risks from its investment servicing and custodian services as well as its investment portfolio. These risks are managed through a risk management framework, consistent with the BNY Group framework, through the European Bank's own risk management function, organization and governance. Any capital requirements allocated for these risks have been assessed through modelling, stress testing and sensitivity analysis or through qualitative assessment.

The European Bank monitors its capital adequacy in accordance with Basel Framework on the basis of Pillar 1 as well as Economic Capital requirements. Both concepts are subject to risk appetite metrics.

Pillar 1 capital requirement is calculated according to the Basel standardised approach for credit, market, operational risks and for credit value adjustment. The standard formula is based on weighting factors applied to the balance sheet and profit and loss components. Pillar 1 capital requirement is compared to the own funds and in particular the CET1, Tier 1 and Total Capital, and monitored (daily) against regulatory thresholds triggered by the Supervisory Review and Evaluation Process ('SREP') and risk appetite. The European Bank ensures it maintains sufficient capital to cover Capital requirements and all necessary buffers. The risk appetite establishes a buffer based on stress testing results on top of the regulatory requirements.

The Economic Capital uses the European Bank's methodologies (most being BNY Mellon methodologies) which follow an approval process including yearly independent validation by BNY's Model Risk Management Group ('MRMG'). These methodologies are presented to and approved by the European Bank's C-STOG, a committee assisting the ALCO with Economic Capital Adequacy related subjects. The Economic Capital is calculated for all material risks, which are summed to form the total Economic Capital requirement.

Materiality is based on both quantitative and qualitative criteria. The qualitative criteria rely on a number of factors and the risk identification process plays a key role. The Legal Entity Risk Identification and Assessment ('Entity Risk ID') is a qualitative and quantitative assessment of all risk categories within the legal entity risk taxonomy. It is one of the tools within the Risk Framework, which is utilized to assess BNY EB's risk profile to identify the material risks the entity faces, spanning the entity's risk taxonomy. The process, which is performed at the consolidated EB level, enables management to identify, discuss, address, and escalate any current and emerging risks.

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The output provides a comprehensive picture of all material risks that EB faces. Under the Risk ID process, the focus is on materiality assessment rather than on the concept inherent/residual. Because the Risk ID process looks at materiality (under stressed conditions) and then provide an opinion on the adequacy of control environment, this process can be considered as evidencing the assessed risks from a gross perspective rather than from a residual perspective. As this process identifies the material risks of the bank, it is a tool allowing to lay the groundwork for other processes such as Internal Capital Adequacy Assessment Process ('ICAAP') and Risk Appetite, where each material risk needs to be covered. The materiality and significance of risks in the ICAAP on the other hand is based on tail losses.

Given the capital adequacy ratios and capital surplus, the European Bank concludes that the capital is sufficient at 31 December 2025 to face the risks of the entity. At 31 December 2025:

- the Pillar 1 capital requirement was €487 million (31 December 2024: €464 million); CET1 was €5,164 million (31 December 2024: €4,460 million); the CET1 ratio was 84.77% (31 December 2024: 76.76%).
- the Economic Capital requirement was €2,047 million (31 December 2024, €2,408 million) compared to available resources of €5,140 million (31 December 2024: €4,441 million); the Internal capital ratio was 20.0% (31 December 2024: 14.7%) with a capital surplus against the risk appetite of €2,683 million (31 December 2024: €1,626 million).

The internal capital adequacy ratio is calculated quarterly, and approximations are applied in order to estimate the capital needs on a monthly or a daily basis (as required). The three-year base case financial forecast is then used in order to project the capital requirements. The base case financial forecast includes projections of the balance sheet and profit and loss elements. The evolution of the balances and profitability, combined with a macro-economic assessment of the evolution of the risk profile were used in order to determine the evolution of the capital ratios. The macroeconomic assessment was performed in baseline and stressed conditions, whereby the impact on the accounting elements (balances and profitability) were deducted and combined with the deterioration of the risk profile.

The European Bank's internal capital assessment covers risks to its current business as well as known planned activities. The strategic initiatives are included in the financial plan, and so, assessed by capital assessment and stress testing.

The European Bank conducts stress tests and capital planning analysis. This provides an avenue for macroeconomic scenarios, new activities or strategic plans to be assessed. The stress tests results are used to assess the resilience of the European Bank to macro- and micro-economic adverse circumstances. Available mitigant actions were activated to prove the resilience of the European Bank to severe stress scenarios combining different shocks, including a strategic risk.

### 4.1 Risk objectives

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The identification, measurement, monitoring and management of risk are essential elements for the success of operations undertaken by the European Bank, specifically:

- the Board recognises that in defining a risk appetite it must consider the views of a number of different stakeholders while accounting for business strategy and risk profile;
- the Board sees embedding risk appetite into the business strategy as essential;
- the Board recognises that it cannot fully mitigate all risks. The risk framework includes standard risk management self-assessment tools that take into account loss history and stress testing to measure and monitor whether or not risk controls in place continue to remain effective; and,
- the Board will seek input from its own and group wide risk committees on a regular basis in its reassessment of appetite and sources of major risks.

The Board adopts a prudent appetite to all elements of risk to which the European Bank is exposed.

### 4.2 Risk governance

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Risk oversight and management are structured to cover regional level, legal entity and Platforms/Lines of Business ('LOB'). 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.

## 4.2.1 Board of Directors

The Board is composed of a majority of non-executive directors, some of whom are representatives of The Bank of New York Mellon senior management. Four of the non-executive directors are independent directors (Minimum 2 are required under Belgian Banking Law). All members of the ExCo also sit on the Board in compliance with Article 24 of the Belgian Banking Law. All directors are natural persons.

The Board meets formally once a quarter or more frequently if deemed appropriate. Board meetings can be called whenever the specific needs of the business require it.

The primary responsibilities of the Board are to define the strategy and risk policy of the European Bank and to supervise the European Bank's management.

The main duties and responsibilities of the Board of the European Bank include, but are not limited to:

- defining the general business strategy, objectives and values of the European Bank in line with those of The Bank of New York Mellon;
- plan and monitor the implementation of the general business strategy, objectives and values within the European Bank;
- fixing the European Bank's risk tolerance level and regularly reviewing and approving the strategies and policies relating to the taking, management, follow-up and mitigation of risks;
- supervising the management of the European Bank's significant risks and ensuring adequate resources are allocated to it;
- approving the capital adequacy position and ensuring changes in the European Bank consider capital impacts;
- approving the recovery plan;
- approving the liquidity recovery plan;
- supervising effectively the ExCo and the decisions taken by the ExCo;
- drawing up annual and interim reports and accounts;
- assessing regularly (at least once per year) the efficiency of the internal organisation and system of internal control of the European Bank and its compliance with applicable laws and regulations;
- assessing the proper functioning of the European Bank's independent control functions (risk, internal audit and compliance);
- ensuring the integrity of the accounting and financial reporting systems and assessing regularly (at least once per year) the efficiency of the internal control structure, in particular regarding the financial reporting process;
- ensuring that the European Bank's internal governance - as translated into its Internal Governance Memorandum - is appropriate to its business, size and organization;
- approving the Internal Governance Memorandum and ensuring it is kept up-to-date and submitted to the supervisory authority;
- approving and reviewing regularly (at least once per year) the European Bank's remuneration policy, and supervising its implementation;
- selecting and evaluating the members of the ExCo and reviewing the process for the selection, evaluation, and development of other key managers (in particular the Chief Risk Officer, Chief Compliance Officer, Chief Internal Auditor);
- ensuring the succession planning for key managers;
- reviewing the European Bank's processes for protecting the European Bank's assets and reputation;
- approving policies and procedures as may be required by law or otherwise appropriate;
- reviewing the European Bank's processes for compliance with applicable laws, regulations and the internal policies including the Code of Conduct; and,
- overseeing the process of external disclosure and communications.

The table below shows the members of the Board and its committees as at 31 December 2025.

External functions exercised by directors, senior managers and heads of independent functions are regularly published in accordance with Belgian Banking Law of 25 April 2014 on the legal status and supervision of credit institutions and brokerage firms, NBB Regulation of 9 November 2021 on the Exercise of External Functions by managers of Regulated Companies and NBB Communication on the exercise of external functions by managers and persons responsible for independent control functions of regulated companies NBB\_2022\_19.

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

Board member	Function at the European Bank	Name of the other company in which an external function is exercised	Registered address	Type of activities	Listed company (Y/N)	External mandate (title)	Capital connection with SA/NV (Y/N)
<b>Independent Non-Executive Directors</b>							
Marie-Hélène Crétu	Chair of the Board Chair of the Nomination and Environmental and Social Governance Committee, Independent member of the Remuneration and member of the Audit Committees	CoDiese	102 bis, Rue de Miromesnil, 75008 Paris, France	Management company	N	President	N
		Global Reporting Company	31 Hove Park Way, Hove, England, BN3 6PW, United Kingdom	Finance consultancy	N	Director	N
Marcia Cantor-Grable	Chair of the Risk Committee, member of the Audit and member of the Remuneration Committee	AXA XL Insurance Company UK Limited and AXA XL Underwriting Agencies Limited	20 Gracechurch Street, London EC3V 0BG, United Kingdom	General Insurance	N	Independent Director	N
		Brown Shipley & Co. Ltd.	2 Moorgate, London, England, EC2R 6AG, United Kingdom	Wealth planning and Investment Management	N	Independent Director	N
Susana Gomez-Smith <sup>1</sup>	Chair of the Remuneration Committee, member of the Nomination and ESG Committee, member of the Risk Committee	Leonteq AG	Europaallee 39 8004, Zurich, Switzerland	Fintech	Y	Independent Director	Y
		Leonteq Securities AG	Europaallee 39 8004, Zurich, Switzerland	Fintech	N	Independent Director	Y
		NovoBanco AS	Avenida Dr Mário Soares, Tagus Park, Ed 1, Piso 2, Ala B, 2740-119, Porto, Salvo, Portugal	Banking	N	Independent Director	N
Stephen Davies	Chair of the Audit Committee and Member of the Risk Committee	Goldman Sachs UK Retirement Plan	Plumtree Court, 25 Shoe Lane, London, United Kingdom, EC4A 4AU United Kingdom	Pension Plan	N	Chair of Trustees	N
		Goldman Sachs UK Retirement Plan Pension Trustee Limited	Dormant Company	N.A	N	Chair of the entity	N
<b>Non-Executive Directors</b>							
Richard Gordon	Member of the Remuneration Committee and Member of the Risk Committee						
Tiffany Eng <sup>2</sup>	Member of the Risk Committee						
Helen Oldfield <sup>3</sup>	Member of the Nomination and ESG Committee	GB Snowsport	101 New Cavendish Street, London, W1W 6XH, United Kingdom	Non-Profit	N	Non-Executive Director	N
		MindForward Alliance	60 Alington Grove, Wallington, Surrey, SM6 9NG	Non-Profit	N	Non-Executive Director	N
Thomas Degn-Petersen <sup>4</sup>	Member of the Audit Committee	Loxwood Management Company Ltd	Huxley House, Headley Road, Grayshott, Surrey, GU26 6EJ, United Kingdom	Property Management	N	Director	N
<b>Executive Directors</b>							
Eric Pulinx <sup>5</sup>	Chief Executive Officer and Chair of the Executive Committee	Delen Private Bank	Jan Van Rijswijcklaan 184, 2020 Antwerp, Belgium	Credit Institution	N	Independent Director	N
		Finax	Begijnenvest 113, 2000 Antwerp, Belgium	Financial Holding	N	Independent Director	N
Rachel Zahra	Chief Operations Officer and Member of the Executive Committee						
John Hennessy	Chief Risk Officer and Member of the Executive Committee						
Ashik Jagtiani <sup>6</sup>	Chief Finance Officer and member of the Executive Committee						

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

Notes:

<sup>1</sup> Appointed 17 December 2025.

<sup>2</sup> Appointed 12 November 2025.

<sup>3</sup> Appointed 11 December 2025. Holds one internal mandate in BNY London Branch.

<sup>4</sup> Participated in management body activities as at 31 December 2025 following selection by the Board on 6 August 2025. Formal appointment to the Board was effective 28 January 2026 following regulatory approval. Holds one internal mandate in BNY Mellon Securities (UK) Limited, a dormant company.

<sup>5</sup> On 2 September 2025, Eric Pulinx became CEO of the European Bank.

<sup>6</sup> Participated in management body activities as at 31 December 2025 following selection by the Board on 26 May 2025. Formal appointment to the Board was effective on 28 January 2026 following regulatory approval.

Departures during 2025: On 21 February, 2025, Roderick Munsters stepped down as Independent Non-Executive Director, and Senthikumar Santhanakrishnan stepped down as Non-Executive director. On 25 April 2025, Björn Storim stepped down as CEO and Executive Director. On 16 May 2025, Caroline Butler stepped down as Non-Executive director.

No director has declared a personal conflict of interest that would give rise to the application of article 7:96 of the Belgian Companies and Associations Code.

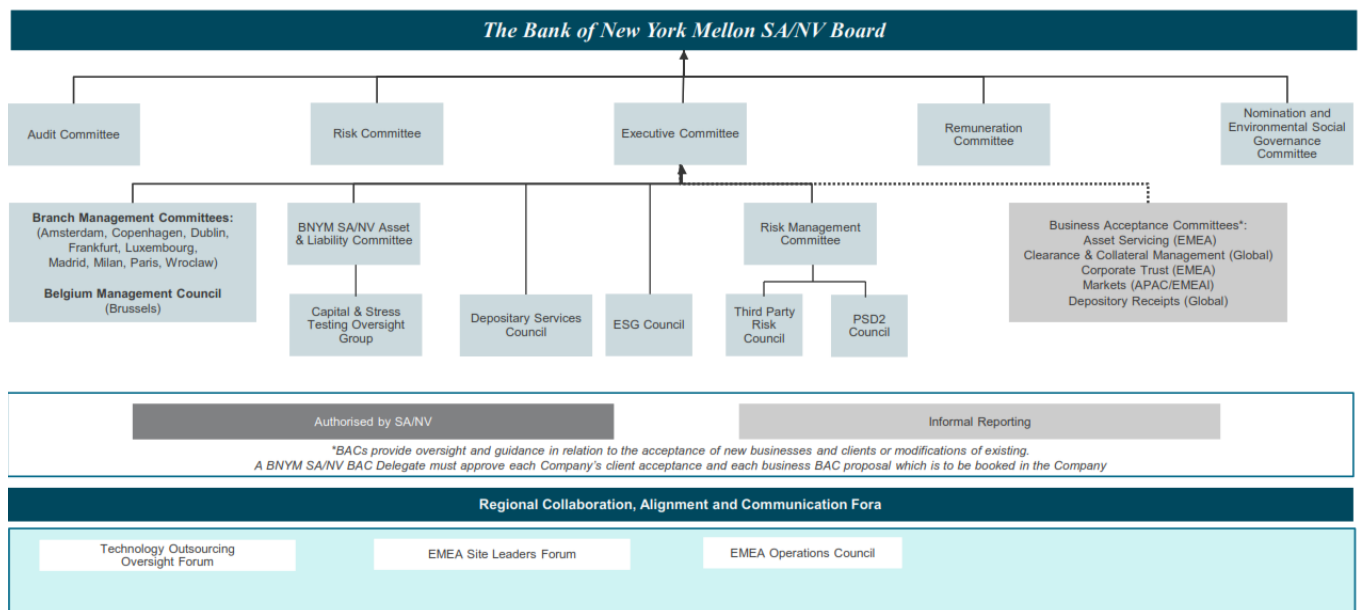
There have been no changes in heads of internal control, risk management, compliance and internal audit per Article 435(1) CRR II.

The European Bank has implemented a Board Inclusion Policy, which sets out its approach to promoting BNY's Thrive Together Principle on the Board. Recommendations within the Policy have been met. This is important to Power the European Bank's Culture and to each Director as individuals. It is also critical to the European Bank's ability to serve its clients and grow its business.

The Nomination and Environmental Social Governance Committee ('Nomination & ESG Co) is responsible for reviewing the structure, size and composition of the Board and making recommendation to the Board with respect to any appointment. In identifying suitable candidates for a particular appointment, the Nomination & ESG Co considers candidates on merit and against objective criteria and with due regard for the benefits of different perspectives. Overall, the combined skills and experience of the Board demonstrate a high level of strategic direction, executive oversight, business knowledge, fiduciary duty and governance.

## 4.2.2 Legal Entity Risk Management

As at 31 December 2025, the Board had four advisory committees: the Audit Committee, the Risk Committee, the Nomination and Environmental Social Governance Committee and the Remuneration Committee as seen below.



The Audit Committee assists the Board in fulfilling its oversight responsibilities in respect of: (i) the integrity of the European Bank's financial reporting process and financial statements; (ii) the efficiency of European Bank's internal control and risk management systems, (iii) the performance of the European Bank's internal audit function, and (iv) the statutory auditor's qualifications, independence, provision of additional services and performance.

The Risk Committee advises the Board on the Company's overall current and future risk appetite and strategy and assists the Board in overseeing the implementation of that risk strategy by the Executive Committee. The Risk Committee also assists the Board in fulfilling its oversight responsibilities with regard to the risk management of the European Bank, as well as the compliance with legal and regulatory requirements and the controls to prevent, deter and detect fraud.

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

The Nomination and Environmental Social Governance ('ESG') Committee (i) makes recommendations to the Board with respect to the nominations of the European Bank's directors and the composition of the Board and its committees, (ii) oversees and assesses the overall governance of the European Bank and recommends any changes to the Board and (iii) oversees and assesses the ESG developments and impact thereof on the European Bank's governance and strategy.

The Remuneration Committee assists the Board in fulfilling its responsibilities in respect of remuneration within the European Bank including its branches and subsidiary. The Remuneration Committee's main duty is to advise the Board in defining the Remuneration Policy of the European Bank. The Remuneration Committee is in charge of the preparation of Board's decisions relating to the remuneration, in particular where such remunerations have an impact on the European Bank's risks and risk management, including the remuneration of the heads of the independent control functions. The Remuneration Committee is also responsible for reviewing: (i) the European Bank's Remuneration Policy Statement in light of applicable laws, regulations and Corporate policies; (ii) the Compensation Plans applicable within the European Bank against the Remuneration Policy; and (iii) practices, including awards paid, in light of the Remuneration Policy, applicable laws and regulations and Corporate policies.

The ExCo has been established by the Board in accordance with Article 24 of the Banking on the status and oversight of credit institutions and Article 7:104 of the Belgian Companies and Associations Code. The ExCo has been entrusted with the general management of the European Bank with the exception of (i) the determination of the strategy and general policy of the European Bank and (ii) the powers reserved to the Board by law or the articles of association. The ExCo meets formally at least once a month, and reports to the Board.

The ExCo is responsible for running the general management of the European Bank within the strategy and the general policy as defined by the Board and for ensuring that the culture across the European Bank facilitates the performance of business activities with integrity, efficiency and effectiveness.

The ExCo reviews corporate initiatives including strategic initiatives, financial performance, new business initiatives, policy changes, controls and organisational development. The ExCo has responsibility across all Lines of Business conducted by or impacting the European Bank, its branches or subsidiary.

As described in detail in the ExCo Terms of Reference, the responsibilities of the ExCo in carrying out the general management of the European Bank mainly relate to corporate responsibilities, control environment, regulatory, stress testing and ICAAP.

The ExCo reports its activities, advises, and makes recommendations to the Board regularly. At least annually, the ExCo assesses the efficiency of the European Bank's internal organisation and internal controls together with the measures taken to remediate to any identified deficiencies, and reports the same to the Board, the NBB and the external auditor.

The ExCo has established the following committees to assist in the performance of its duties.

### **Risk Management Committee ('RMC')**

The European Bank's RMC meet on a regular basis, with the key purpose of the RMC being to provide oversight of the operational and credit risks (including concentration risk) supported by European Bank (head office and branches), to ensure that risks are identified, monitored and reported and to ensure that appropriate actions and activities are in place to manage the identified risks. The RMC also plays a central role in ensuring that material change that has the potential to affect the European Bank is identified in a timely manner and managed in an appropriate fashion.

The aim of the RMC is to establish and maintain a capable and effective forward-looking risk organization that is well placed to identify and manage emerging risks for the legal entity including its branches. The RMC provides risk-based challenge to the Business (First Line of Defence) establishes and maintains a risk culture, advises the ExCo on risk matters. The RMC is responsible for ensuring that risk and compliance activities undertaken by the European Bank and its underlying branches, and businesses are executed in accordance with the European Bank's Risk Appetite Statement ('RAS'), policies, and regulations.

### **Asset and Liability Committee ('ALCO')**

The European Bank's ALCO is responsible for overseeing the asset and liability management activities on the balance sheet of the European Bank (including its branches and subsidiary), and for ensuring compliance with all liquidity, interest rate risk and capital related regulatory requirements.

The ALCO is responsible for ensuring that the BNYM Company policy and guidance set through the Global ALCO is understood and executed at the legal entity level. This includes strategy related to the investment portfolio, placements, capital, interest rate risk, and liquidity risk. The ALCO is responsible for monitoring the asset & liability management activities for European Bank (including its branches).

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

At this point the European Bank Paris, Copenhagen, Poland, and Madrid branches are non-deposit accepting institutions and therefore do not have asset and liability management activities. However, any future activities of these branches will be covered by the ALCO.

### Business Acceptance Committee ('BAC')

The BAC is responsible for the acceptance, oversight and guidance of new and existing businesses and clients for each of the following business lines for all BNY legal entities across EMEA: Asset Servicing, Corporate Trust, Depositary Receipts, Markets, International Clearance and International Collateral Management.

The European Bank BAC delegates, selected by the ExCo for their expertise, must approve each client acceptance and each business BAC proposal which is to be booked in the European Bank. The European Bank BAC Delegates have the power to reject and veto a piece of business if for whatever reason it would be inappropriate to conduct the business in the European Bank.

In addition, representatives of the European Bank and branches' Compliance department attend relevant meetings of the BACs and are accountable to the Compliance Officer in respect of all business acceptance. BAC approval requirements include also one from Business Risk Management, if required, supported by a risk officer of an impacted legal entity.

### Depositary Services Council

The purpose of the Depositary Services Council (the 'Council') is to provide independent guidance, support, and expertise to the management of the European Bank with respect to its Trustee and Depositary ('T&D') business.

The principal objectives of the Council, relating to the T&D business are: escalate significant or otherwise important matters; make recommendations to both the ExCo in respect of any material decisions or the adoption of any strategies and plans; and provide counsel and support to ExCo, from which it has been bestowed a limited role. To that end, the Council shall provide the company, and in particular its management, operating through the ExCos, with:

- recommendations and objective, impartial, constructive, and informed advice with respect to matters requiring decision in terms of each Company's T&D business
- guidance and input in terms of strategies and plans to be adopted by each Company with respect to its T&D business; and
- reports, updates, and other information with respect to each Company's T&D business, its performance as against plans and that of its peers, industry developments, and associated matters

The Council is an advisory body and does not have any authority to represent, bind, or direct the European Bank in its operations in any way.

### Third Party Risk Council

The purpose of the Third Party Risk Council is to:

- oversee the key outsourcing risks supported by the European Bank
- ensure that the key outsourcing risks are identified, monitored and reported
- ensure that appropriate actions and activities are in place to manage the identified risks

The Council derives its authority and mandate from the European Bank RMC.

The aim of the Council is that functions outsourced or contracted to third-party service providers align with the European Bank's risk appetite, policies and regulations.

### ESG Council

The European Bank has established an ESG Council in charge of providing expert advice to the ExCo on ESG related issues. This Council is responsible for identifying and managing ESG risks that could affect the European Bank and supporting the ExCo in ensuring the bank meets regulatory expectations, including ESG disclosures. ESG Council members are selected based on their seniority and expertise in their respective areas, enabling them to offer valuable insights on how ESG matters impact their domains. The Council unites all Lines of Defence ('LoDs') to foster a comprehensive approach to ESG governance.

In addition to the above committees and councils, the ExCo has mandated the Belgium Management Council ('BEMCo'), with the purpose to provide leadership for BNY Mellon employees in Belgium, regardless of legal entity, functional, or business affiliation. The BEMCo is responsible for overseeing, informing, supporting and involving other local bodies, as well as ensuring employee engagement within the Brussels location and the European Bank in Belgium. It shall also decide or escalate matters discussed with the employee relations bodies.

## Branch Management

In each branch, a Branch Manager and one or more Deputy Branch Manager(s) have been appointed to ensure the proper running of the branch's activities under the supervision of the ExCo. Branches are not separate legal entities, meaning that the relevant Lines of Business ('LoBs') and Corporate Functions at the level of the European Bank remain responsible for the proper execution of their activities in the branches, with the Branch and Deputy Branch Managers being accountable vis-à-vis the local supervisory authorities. In order to strengthen the management structure of the local branches, a Branch Management Committee composed of the Branch and Deputy Branch Managers as well as the representatives of the LoBs and Corporate Functions relevant for the activities of the branch to ensure collaboration and connectivity. Only the Branch Managers and their deputies are voting members, but the non-voting members who are responsible for all aspects of day-to-day operations and compliance with rules and regulations play a crucial role in sharing information and in assisting the Branch Managers and their deputies in discharging their duties. Branches regularly report on their activities and provide the minutes of their meetings to the ExCo member(s) who is (are) responsible for the branches.

### 4.2.3 Risk Management in the Lines of Business

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The oversight of risk management within each of the lines of business is governed via a Business Acceptance Committee and a Business Risk Committee, namely:

A **Business Acceptance Committee ('BAC')** is responsible for performing due diligence when accepting, on-boarding, monitoring and off-boarding client relationships and business. Members will review and approve new and incremental business opportunities. The European Bank's ExCo has delegated authority for business acceptance to the "BNY Mellon SA/NV Business Acceptance Committee ('BAC') Delegates" (members of the the extended European Bank's ExCo, Branch Managers or members of the second line of defence). The European Bank's BAC delegate must approve each non-standard client acceptance and each business opportunity proposal which is to be booked to the European Bank.

**Business Risk Committee ('BRC')** meetings are the point of review and approval for all new or materially modified products or process changes and services as well as the venue for review and approval of all potential off-boarding of products and services. BRC also reviews any major project initiative including touch-points to the European Bank. The BRC shall consider a variety of issues including: potential or actual conflicts of interest or sensitive business practices, errors and service delivery failures, especially with impact to clients and/or to legal and regulatory obligations; client communications and disclosure; financial losses; unsubstantiated gains; and potential reputation damage. BRC meetings are designed to enhance transparency of the key risk and control issues facing the business and to provide a forum for escalation and discussion of these issues. Impact to the European Bank will be escalated to its RMC or ExCo (when deemed appropriate) for review and approval, as appropriate.

### 4.3 Risk identification ('Risk ID')

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The Risk ID is a management tool that provides a high-level view of an entity's risk landscape. It is instrumental in forming the risk strategy of the entity and defining risk appetite in the context of the broader organisation. Applied to the European Bank, the Risk ID enables management to focus on the key risks to which the European Bank is exposed. The Risk ID, which is governed by the Policy "Legal Entity and Branch Risk Identification & Assessment Procedure", should be read in conjunction with, and be complementary to, the European Bank's ICAAP and ILAAP ('Internal Liquidity Adequacy Assessment Process'), the business-level risk and control self-assessments ('RCSA's') and other Risk MI.

The Risk ID is coordinated by the Second Line of Defence ('2LOD') as of 2026. Key representatives from the Lines of Business/Legal Entities will be consulted as part of the assessment process. The assessment is then reviewed by Senior Risk Officers of each Line of Business ('LOB SROs') and Risk function heads (e.g. credit risk). The Risk ID, which is approved by the ExCo, is a living document and will be updated regularly as needed.

### 4.4 Risk management framework

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As a global and systemically important financial institution, the European Bank holds itself to an industry leading standard of risk management. Effective management of risk is at the core of everything the European Bank does.

From the perspective of the European Bank, as with other regulated banking entities, a strong risk governance and a robust risk culture are achieved through close and continuous co-operation between business lines, risk and compliance teams and internal audit. Taken together, these enable the European Bank to effectively identify, assess, manage and report the risks that are inherent to operating its business.

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

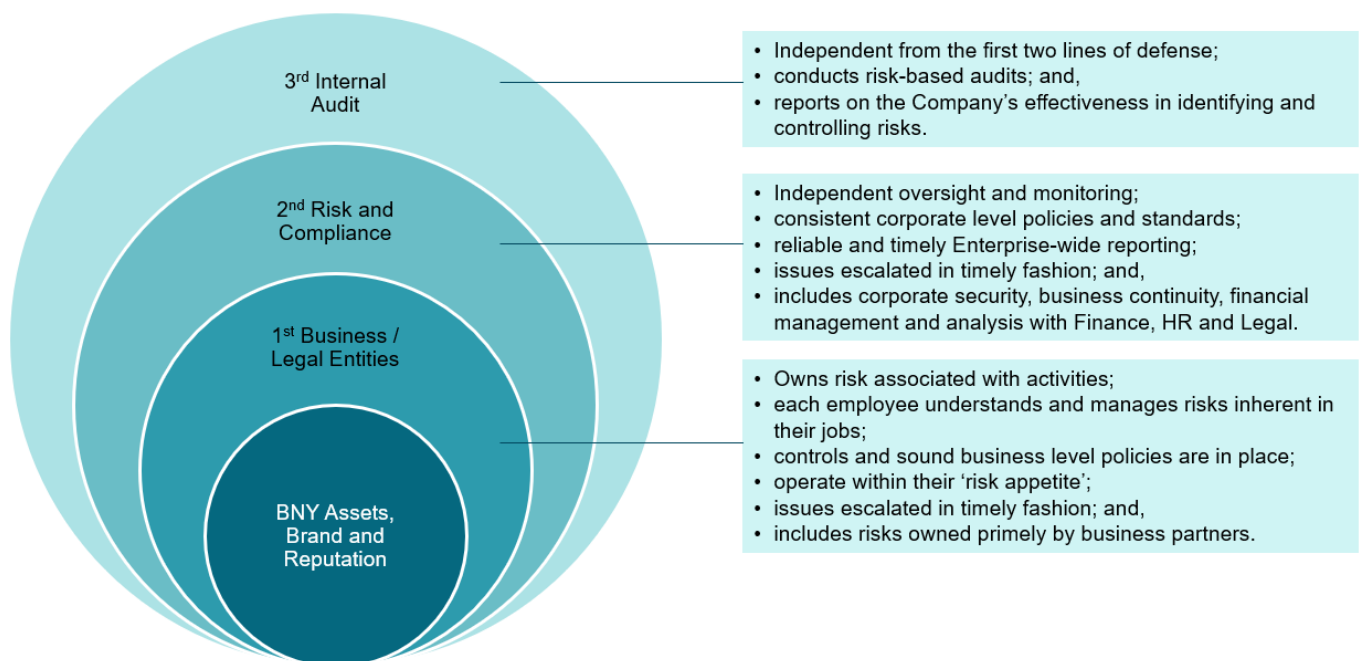
The European Bank's Risk Management Framework is organised around the 'Three Lines of Defence' and the European Bank has, in accordance with the Banking Act requirements, put in place the following independent control functions: internal audit, compliance and risk management.

The ExCo is responsible for the implementation of these independent control functions. Annually, it reports to the NBB, the statutory auditor and the Board on the compliance with this requirement and on the measures taken in this respect. These functions are considered as independent as they operate independently from the other business functions.

The heads of the independent control functions must be fit and proper for carrying out such a role and approved by the NBB.

The First Line of Defence ('1LOD') consists of managers and employees at the business or, in some cases, business partner level. They own the risk associated with the business activities, and they manage the risks and the related control processes and procedures on an operational basis. The Risk Management and Compliance functions are the 2LOD; and own the enterprise-wide risk management framework and provide independent oversight of the 1LOD. This also includes Corporate Security, Business Continuity, Financial Management and Analysis within finance. The Third Line of Defence ('3LOD') is Internal Audit, which independently provides the Board and senior management with the assurance that the governance structures, risk management and internal controls in place are effective.

**Figure 2: Managing Three Lines of Defence**



BNY Risk and Compliance policies and guidelines provide the framework for the European Bank's internal controls, risk identification, monitoring, reporting and escalation. Risks are managed within specialist risk teams (e.g. credit, liquidity, market) or via line of business risk teams (e.g. operational).

### 4.5 Risk appetite

Risk appetite articulates the level and nature of the risk we are willing to assume, within risk capacity and regulatory parameters, to meet our strategic objectives. The Risk Appetite Statement ('RAS') defines metrics and controls to measure and monitor risks relative to the risk appetite. These metrics establish risk thresholds through qualitative and quantitative expressions of risk appetite to monitor risk-taking activities.

The Risk Appetite of the European Bank constitutes the risk limiting perimeter within which the head office, and branches must operate.

The Board owns and defines the RAS, is responsible for annually reviewing it and approves any amendment. The Risk Appetite Report is actively monitored and managed by the ExCo through a defined governance and set of delegated controls to ensure that the performance of business activities remains within risk appetite levels. The Risk Appetite is reviewed if the risk profile changes or, at least, annually. It is governed by a Group Policy completed by a specific European Bank Standard which is reviewed at least annually.

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

The Board adopts a prudent appetite to all elements of risk to which it is exposed. Business activities are managed and controlled in a manner consistent with the Board's stated tolerances using defined quantitative and qualitative measurements. The Board has sought to establish a clear set of tolerances for its business and has articulated its appetite through a series of statements and metrics.

### 4.6 Risk assessment methodology and reporting systems

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Risk identification and monitoring occurs in the business (operational areas) and within focused risk departments. Several processes are in place in order to ensure that risks are correctly and timely identified and monitored. Monitoring and controlling risk is primarily performed based on limits established by the European Bank. These limits reflect the business strategy and market environment of the European Bank as well as the level of risk that the European Bank is willing to accept. In addition, the European Bank's policy is to measure and monitor the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all business areas is examined and processed in order to analyse, control and identify risks on a timely basis. This information is presented and explained to the RMC, the ExCo and the Board.

Risk identification and reporting is made using a series of tools and information systems. Each risk type is assessed and reported by risk experts to the RMC.

The European Bank benefits from multiple data gathering, risk monitoring and escalation flows. The European Bank generally does not build its own risk infrastructure, data aggregation or reporting tools. In that sense, all the tools used by the risk experts are corporate tools, of which the building and maintenance is framed by policies and service level agreements.

#### **Internal Capital Adequacy Assessment Process ('ICAAP') and Internal Liquidity Adequacy Assessment Process ('ILAAP')**

The European Bank monitors its capital adequacy in accordance with Basel Framework on the basis of Pillar 1 and Economic Capital requirements for Internal Capital Adequacy ('ICA'). Pillar 1 capital requirements are calculated under the standardised approach for credit, market and operational risks, as well as for credit valuation adjustment, using prescribed weighting factors applied to balance sheet and profit and loss components.

Economic capital requirements are based on internal risk assessments of the balance sheet and business activities; using European Bank methodologies that follow a defined approval process, including independent validation by BNY's model validation team. These methodologies are approved by the European Bank's Capital and Stress Testing Oversight Group (see below) and by the Board as part of the annual ICAAP. The European Bank also performs capital stress testing to assess the future resilience of its regulatory and economic capital base.

The ILAAP outlines the firm's liquidity risk management framework, governance arrangements and risk culture. Throughout the annual ILAAP cycle the content, findings and conclusions are reviewed and challenged by the relevant stakeholders and governance committees.

The ILAAP is a living document updated on regularly, and at least annually, and incorporates liquidity stress testing and forward-looking liquidity projections to assess the firm's ability to withstand market-wide or idiosyncratic liquidity stress events.

Processes are in place within the European Bank to ensure appropriate alignment between the ICAAP and ILAAP exercises where required.

#### **Capital and Stress Testing Oversight Group ('C-STOG')**

The C-STOG provides governance and oversight of the European Bank's capital requirements (economic, regulatory, adequacy and allocation), risk model methodologies and capital stress testing. Its remit is aligned with ICAAP governance requirements and the European Bank's Stress Testing policies and framework, and it operates with regard to the Group's over-arching capital, profit and strategic plans.

The C-STOG is an empowered decision-making body, operating under authority delegated by the European Bank's ALCO and subject to corporate policy, legislation and external regulation.

#### **New and modified businesses / products assessment process**

The product governance lifecycle (new and modify or retire existing products) is centrally administered by Product Governance Office ('ProGo') and approved, at enterprise level, by the Product Approval and Review Committee ('PARC') through a comprehensive Product Program Document (the 'PPD'). The centrally coordinated process involves control / transversal functions in the review of the product proposals including the legal entities.

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

It is a requirement of PARC that all legal entity approvals are completed prior to PARC approval or by attendance of the legal entity at the PARC (through the Legal Entity Approval Group ('LEAG'), delegated from the RMC for the European Bank).

Material business process changes are reviewed and approved by the RMC.

### Significant new client process

Significant new clients are reviewed and approved by the corresponding BAC (Line of Business).

The BAC uses a checklist in order to assess the potential impact the new client will have on the economic capital requirement. If the impact is deemed potentially material, the European Bank's BAC delegate will be responsible for contacting Risk Management in order to obtain an ICA assessment.

### Risk and Control Self-Assessment ('RCSA')

The RCSA is a tool used by the business to identify risks associated with their key processes. High or Moderate residual risks are monitored by the EB Operational risk and form part of a regular risk management report if these require consideration by the RMC. This ensures that although the RCSA process is owned by the line of business in conjunction with the business risk managers, the RMC has oversight of the key exception items relating to the European Bank on an ongoing basis.

### Operational risk events

All operational losses and fortuitous gains exceeding US\$10k are captured in the Risk Management Platform ('RMP') with completeness being verified by reconciliation to the General Ledger. Risk events are categorised by causal category. Operational Loss Events reporting forms part of the standard risk management report to the RMC.

### Key Risk Indicators

Key Risk Indicators ('KRIs') are used by business lines to evaluate control effectiveness and residual risk within a business process. Material risks are monitored by appropriate KRIs. The business lines utilise the corporate-wide KRI process to monitor the extent to which the probability of the high inherent risks materialising is changing and to ensure that appropriate actions are being taken. KRI reporting and monitoring is performed monthly at a minimum using a red/amber/green rating system.

### Credit risk monitoring process

All counterparties leading to credit risk exposures are assessed and allocated a borrower rating in accordance with the BNY's credit rating system. Monitoring and control is conducted via a number of real-time systems to ensure that approved exposure levels are not exceeded, or are pre-approved by a suitable credit officer in the light of individual circumstances. Post event monitoring is also conducted by both Client Service areas and the Credit function. Issues arising from these are reported to the RMC.

### Large exposure process

Compliance with the large exposure (including Shadow Banking) regulatory requirements is controlled daily by the Credit Risk / Large Exposure function in the European Bank. Mitigants are applied as needed.

### Market risk monitoring process

The trading book derivative positions are monitored against limit.

### Interest rate risk monitoring process

The interest rate sensitivities are monitored against the risk appetite limit, as well as the compliance with regulatory guidance.

### Liquidity risk management process

The European Bank's overall approach to liquidity management is to ensure that sources of liquidity are sufficient in amount and diversity, such that changes in funding requirements can be accommodated routinely without a material adverse impact on earnings, daily operations, or on the financial condition of the European Bank. In this context, the European Bank has set certain practices, metrics, and limits to measure and manage liquidity risk. Through these measures, it seeks to ensure that the overall liquidity risk undertaken stays within its risk tolerance.

### Emerging risk

On a quarterly basis, the emerging risks of the European Bank are identified through a specific process which is mostly leveraged from Corporate, and reported to European Bank governance committees.

### Risk appetite report

The European Bank's Risk Appetite Report aims to provide a high-level view on the risk appetite metrics and their evolution over a given period. It is produced on a monthly basis.

## Stress testing

Capital stress testing is undertaken by the European Bank to monitor and quantify risk exposures and capital requirements to ascertain whether or not there are sufficient capital resources on a forward-looking basis. The process involves developing stressed scenarios that identify an appropriate range of adverse circumstances of varying nature, including geo-political events, severity and duration relevant to the European Bank's risk profile and business activities. The European Bank's stress testing programme assesses the capital strength and enhances the resilience to external shocks. It also helps senior management understand and mitigate risks, and informs decision about capital levels. The stress testing programme is overseen by the C-STOG with results reported, where appropriate, to the ALCO, ExCo and the Board.

## 4.7 Escalation of risks and issues

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A robust framework exists for monitoring and escalation of issues and risks. Business management is required to notify senior management, which includes the European Bank's Board members, soon after determination. Risk management is responsible for supporting the business lines in achieving the following:

- identifying and documenting all material risks, assessing the effectiveness of control design, and ensuring that control gaps are closed;
- developing and implementing standards and policies appropriate for the business that conform to the principles and guidelines established by Risk;
- elevating, reporting and investigating operating errors, losses and near misses, identifying the root causes and implementing corrective actions;
- reviewing key indicators for coverage and effectiveness, identifying root causes for red and amber conditions and ensuring implementation of corrective actions;
- approving the process to accept new business, including 'Request for Proposal' preparation, contract acceptance and compliance, and challenging whether the European Bank is being compensated appropriately for the assumption of risk;
- reviewing the impact of changes in business processes on inherent risks and controls such as reorganisations, new products or processes, system conversions and acquisitions, etc. and,
- ensuring that processes, risks and controls are continually reassessed for appropriateness and completeness.

Management information is used to monitor the performance of the transaction processing and support services including specific risk exposures (e.g. cash and securities reconciliation breaks) and red/amber/green ratings in respect of the health of the operational functions.

## 4.8 Recovery and resolution planning

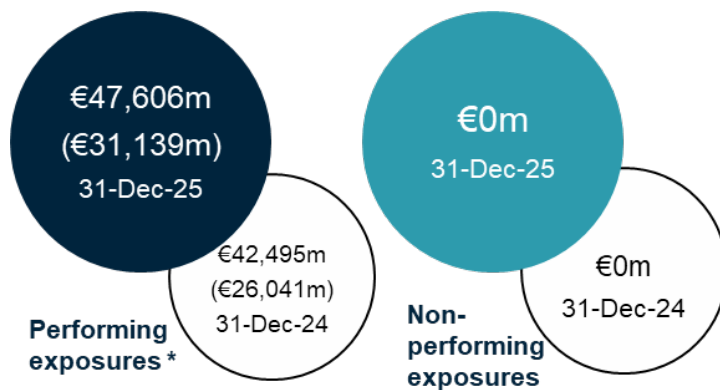
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The European Bank updates its recovery plan annually in accordance with regulatory guidance. The recovery plan is designed to ensure that the European Bank has credible and executable options to meet the challenges that may arise from potential future crises.

Every two years, BNY submits its Title I Resolution Plan as prescribed by supervisory policy, which includes the European Bank as a material entity of the BNY Group. The 2025 Title I Resolution Plan was submitted to the regulators on 1 July 2025.

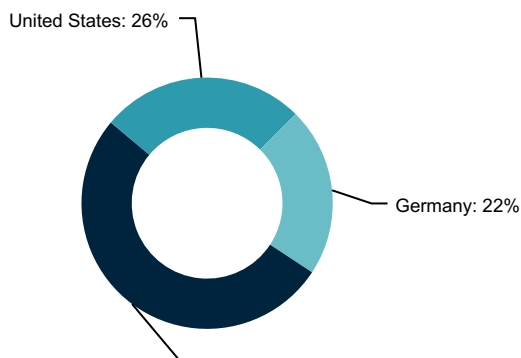
The European Bank is working collaboratively with the resolution authorities in the context of our resolvability programme to support supervisory efforts in maintaining the European Bank resolution plan.

5 Article 442 CRR III - Exposures to credit risk and dilution risk

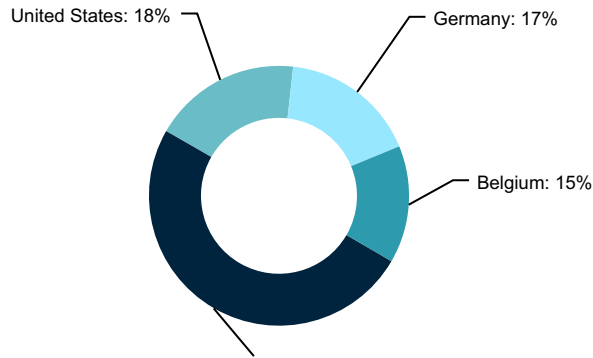


The values presented in brackets represent carrying values of loans and advances, debt securities, but excluding placements at central banks and other demand deposits.

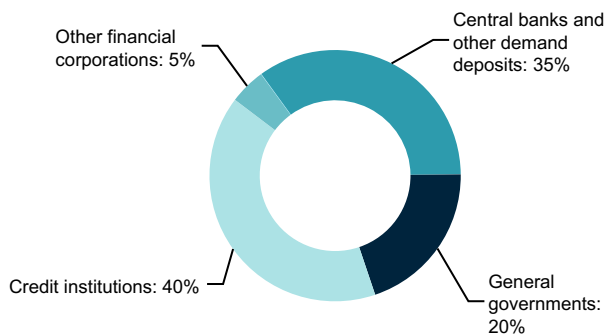
Performing exposures by country at 31 December 2025



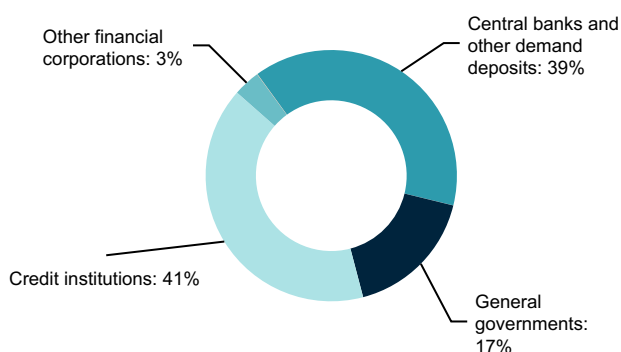
Performing exposures by country at 31 December 2024



Performing exposures by counterparty at 31 December 2025



Performing exposures by counterparty at 31 December 2024



The charts on this page represent carrying values of loans and advances, debt securities, but excluding placements at central banks and other demand deposits. The prior period infographics have been restated. Previous infographics excluded central banks and other demand deposits

## 5.1 Definition and identification

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Credit risk is the risk arising from obligor or counterparty failure to pay an extension of credit whether contractual or otherwise. Credit risk is found in all activities in which settlement or repayment depends on counterparty, issuer, or borrower performance. It exists any time bank funds are extended, committed, invested, or otherwise exposed through actual or implied contractual agreements, whether reflected on or off the balance sheet.

Understanding, identifying and managing Credit risk is a central element of BNY's successful risk management approach. The European Bank's Credit risk is managed in line with the BNY's Risk Appetite to minimise losses whilst identifying future potential risks. The European Bank's business model of providing custodial services assumes less balance sheet and traditional credit risk than many other banks. However, these businesses do create significant intraday credit risk that can originate from different sources. This section describes the effective governance of Credit risk exposures in the European Bank.

The principles, methodologies, and process outlined in this section relating to Credit risk are reviewed as part of the annual review process of Credit policy, if applicable. The European Bank generates the following forms of credit exposure:

- The European Bank provides significant intraday credit facilities to clients in order to settle transactions settling in a wide variety of global markets. These facilities are generally secured, unadvised and uncommitted. Although end of day balances (overdrafts) are relatively small, intraday exposures can be extensive, albeit spread across a very wide portfolio of clients;
- Client overdrafts and contractual cash on failing securities' trades, resulting from unfunded intraday activity (trade sales & purchases, FX and payment activity, collateral substitutions etc);
- Placements to (central) banks, money markets and (reverse-) repo: credit risk is assumed by the European Bank in placing funds with banks for a fixed term or overnight. This may be by way of cash placement or through the purchase of certificates of deposits issued by these banks;
- Investments in securities (government (equivalent or guaranteed) bonds, supranational bonds, covered bonds, RMBS and CLO's).
- Intercompany exposures (overdrafts, nostro balances, placements, Netting Agreement use and receivables);
- Derivatives in the trading book: Spot FX, FX forwards, NDF, interest rate and currency swaps and options in support of the bank's treasury management as well as spot FX, FX forwards and currency swaps in support of the customer's custody business;
- Interest rate swaps with BNY Mellon Institutional Bank in protection of the interest rate risk in the European Bank's securities' portfolio;
- Securities' Finance trades (repo and reverse repo) in support of the bank's treasury management. As part of a continuous improvement to strengthen the European Bank's market access, the European Bank is a clearing member with a Central Counterparty Clearing House ('CCP'), used for securities financing activity.
- Guarantee: A guarantee underwritten to German pension fund investors covering the market risk of the portfolio.

## 5.2 Credit risk management framework

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At the outset of a new agent bank, trading counterpart or customer relationship, a review is undertaken by the business in partnership with Credit risk to determine the client's suitability for the products offered and the European Bank's Risk Appetite for the same. Once it is agreed that the relationship can be entered into and suitable limits made available to accommodate the activity, the client can be mandated and moved through the Business Acceptance Committee process for formal approval by all relevant parties. As the First Line of Defence, the business has primary responsibility to identify the nature and quantum of Credit risk that may be incurred as a result of any business relationship. Credit risk assists in that assessment as the Second Line of Defence.

BNY's Credit Risk Management function operates a global model to maximise efficiency and to leverage the SME resources that are available to the best advantage for all BNY legal entities. Credit risk is an outsourced service provided under Service Level Descriptions ('SLDs') to the various global BNY legal entities. Each legal entity Board will approve both an appropriate Risk Appetite Statement and a legal entity specific Credit Risk Policy which details the roles and responsibilities and levels of delegated authority for each type of activity.

## 5.3 Credit risk management

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Credit risk (including metrics, breaches, and output) is effectively managed in a number of ways:

- Nostro accounts are maintained at the minimum possible level and within large exposure limits commensurate with the smooth operation of client and own fund needs. The banks used are all major, well rated banks in their relevant countries;
- For custody clients, most limits (including derivatives) are calculated as a percentage of AUC (subject to certain maximum levels). All cash payments are checked against a limit on a real-time basis. Any excesses are referred to a credit officer for approval. Most clients have, within their Global Custody Agreement ('GCA'), provided the bank with a contractual right of set-off across currency accounts, a custodial lien on the assets held with right of retention and sale if debts are not repaid;
- Certain clients may not be able to provide a lien on their assets, or there may be some other inability to encumber the asset pool which may be held ultimately for the benefit of other parties (e.g. insurance companies, etc.). However, these clients are usually also highly rated financial institutions. Therefore, the risk is mitigated by their high credit rating rather than access to a collateralised bond portfolio;
- In some instances, the provision of intraday credit can lead to an overnight overdraft to a client which in turn could contribute to a large exposure breach. To mitigate this risk, the European Bank makes use of article 390(6c) of CRR III ("next business day exclusions"). Though lien and/or pledge language in the custody contract is considered to being effective economic risk mitigation, this is not taken into account for regulatory risk mitigation. Where the European Bank have signed an on-balance netting agreement with the customer, its overdrawn balance(s) in a given currency will be netted off with its long balances in the same currency;
- A Master Netting Agreement is in place to cover intragroup exposure to The Bank of New York Mellon (International) Limited and The Bank of New York Mellon; and,
- Placement activity with third party banks is subject to credit approval and is only permitted after careful consideration of the quality of the counterparty bank, large exposure issues and exposure elsewhere within the BNY enterprise. Relationships with, and limits for, all banks are managed globally by BNY. The European Bank's counterparty bank limits are managed as a subset within the overall limits approved by the parent.
- The derivatives and securities finance trades are subject to third-party counterparty credit limits set by the Credit Risk function and calibrated in accordance with the outcome of the underwriting analysis and right-sized to the expected trading volume and credit protection offered. This takes into account the counterparty's risk profile, transaction type, collateral risk mitigation potential and the European Bank's risk appetite when establishing limits.

## 5.4 Monitoring and reporting

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Intraday credit risk is monitored and controlled in real time via a number of systems to ensure that approved exposure levels are not exceeded, or are pre-approved by an appropriate Credit Officer in light of individual circumstances.

Post-event monitoring is conducted by the client service area, with secondary oversight from the Credit Risk function.

For all other products, credit controls are put in place to ensure that trading remains within the limits or formal excess approval are given pre-trading. Limit excess reports exist and are actively being monitored to detect, validate and follow up on limit breaches.

The metrics supporting the management of Credit risk are reported to the RMC, a sub-committee of ExCo.

## 5.5 Governance

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Governance of Credit risk oversight as a second line of defence function is described and controlled through BNY's Global Credit Risk Policy with the European Bank Credit Risk Policy and day-to-day procedures supported by a detailed SLD to ensure European Bank oversight as follows:

- Credit Risk Policy for each legal entity describes the outsourcing and delegation of credit risk tasks, defines roles and responsibilities and required reporting to be carried out to each business line and entity that the policy applies to. Any deviation from approved policy requires either senior business or senior legal entity approval depending on the type of event;

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- Approvals for excesses are controlled using a matrix of Credit risk approval authorities held within the Credit Risk Policy - each Credit Risk Officer has their own individual delegated approval authority granted by the Chief Credit Officer. They must act within those limits when making approvals. If an excess is beyond the Officer's approval limit, it is escalated to a more senior officer as per the applicable Credit Risk Policy. The outsourcing of credit responsibility to Credit risk is through the Board approved Credit Risk Policy; and,
- Overdraft monitoring is a daily task and conducted within each legal entity - significant overdrafts are chased on a daily basis in line with the European Bank's risk appetite. All significant overdrafts and exposures are recorded and form part of the credit risk management information produced on a monthly basis for various management committees.

### 5.6 Analysis of credit risk

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Credit risk exposure is computed under the standardised approach which uses external credit assessment, institutional ratings and supervisory risk weights supplied by external credit assessment agencies. The following credit risk exposure tables summarise the credit exposure for the European Bank in accordance with the CRD VI requirements.

The definitions below are used in the following tables:

- **Exposure at Default ('EAD')** is defined as the amount expected to be outstanding, after any credit risk mitigation, if and when a counterparty defaults. Exposure reflects drawn balances as well as allowance for undrawn amounts of commitments and contingent exposures over a one-year time horizon. As such, exposure in this context may differ from statutory IFRS accounting balance sheet carrying values;
- **Exposures in Default (past due)** - Exposures in default are defined as accounts receivable balances in excess of agreed limits for more than 90 days. This definition only applies to regulatory computations and is disclosed under exposure class, exposures in default. The European Bank has no exposures in default;
- **Credit Conversion Factor ('CCF')** converts the amount of a free credit line and other off-balance sheet transactions (with the exception of derivatives) to an EAD amount. This function is used to calculate the exposure at default;
- **Credit Risk Mitigation ('CRM')** is defined as a technique to reduce the credit risk associated with an exposure by application of credit risk mitigants such as collateral, guarantees and credit protection;
- **geographic area** is based on the country location of the counterparty; and,
- **residual maturity** is defined as the period outstanding from the reporting date to the maturity or end date of an exposure.

### 5.7 Analysis of past due and impaired exposures

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An aspect of credit risk management relates to problem debt management, which entails early problem identification through litigation and recovery of cash where there is no realistic potential for rehabilitation.

The following tables provide an analysis of past due and impaired exposures using the following definitions:

- **past due** exposure is when a counterparty has failed to make a payment when contractually due; and,
- **impaired/ defaulted exposure** is when the European Bank does not expect to collect material contractual cash flows when they are due, and or, such cash flows are past due more than 90 days.

As at 31 December 2025, the European Bank had no materially impaired exposures for which a specific or general provision was required. There were no assets past due greater than 90 days. The European Bank did not incur any write-offs of bad debts or make any recovery of amounts previously written-off during the reporting period. Further, the European Bank did not carry any exposures considered forborne, either performing or non-performing, and consequently did not obtain any collateral through taking possession.

The European Bank applies specific credit risk adjustments in its supervisory reporting which relate to IFRS 9 ECL assessments and a guarantee commitment accounted for as a derivative at fair value through profit and loss.

Consequently, the following tables have no reportable values and have not been disclosed:

- EU CQ1: Credit quality of forborne exposures
- EU CQ2: Quality of forbearance
- EU CQ5: Credit quality of loans and advances by industry
- EU CQ6: Collateral valuation - loans and advances

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- EU CQ7: Collateral obtained by taking possession and execution processes
- EU CQ8: Collateral obtained by taking possession and execution processes - vintage breakdown
- EU CR2: Changes in the stock of non-performing loans and advances
- EU CR2A: Changes in the stock of non-performing loans and advances and related net accumulated recoveries

**Table 12: EU CQ4 Quality of non-performing exposures by geography**

This table illustrates the European Bank's performing and non-performing loans, advances and debt security exposures by geographical location, by on- and off-balance sheet status, with any applicable impairments and provisions. Prior disclosures of this table under CRR II had excluded placements at central banks and other demand deposits, these are now included. Exposures with an amount of less than €0.5 million have not been disclosed for presentational purposes. The full list of countries applicable to the European Bank, together with the associated exposures (in units), is available in the Pillar 3 Data Hub.

At 31 December 2025 (€m)	Gross carrying/Nominal amount			Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	of which: non- performing	of which: defaulted	of which: subject to impairment			
<b>10 On-balance-sheet exposures</b>	<b>47,606</b>	—	—	<b>47,606</b>	<b>(2)</b>	—
ANDORRA	1	—	—	1	—	—
ARGENTINA	2	—	—	2	(0)	—
AUSTRALIA	503	—	—	503	(0)	—
AUSTRIA	898	—	—	898	(0)	—
BELGIUM	2,382	—	—	2,382	(0)	—
BRAZIL	89	—	—	89	(0)	—
CANADA	2,856	—	—	2,856	(0)	—
CAYMAN ISLANDS	2	—	—	2	(0)	—
CHILE	16	—	—	16	(0)	—
CHINA	7	—	—	7	(0)	—
COLOMBIA	10	—	—	10	(0)	—
COTE D'IVOIRE	1	—	—	1	(0)	—
CYPRUS	1	—	—	1	(0)	—
DENMARK	44	—	—	44	(0)	—
EGYPT	55	—	—	55	(1)	—
FINLAND	542	—	—	542	(0)	—
FRANCE	1,698	—	—	1,698	(0)	—
GERMANY	10,379	—	—	10,379	(0)	—
GHANA	1	—	—	1	(0)	—
HONG KONG	149	—	—	149	—	—
20 HUNGARY	42	—	—	42	(0)	—
INDIA	94	—	—	94	(0)	—
INDONESIA	31	—	—	31	(0)	—
IRELAND	406	—	—	406	(0)	—
ISRAEL	9	—	—	9	(0)	—
ITALY	177	—	—	177	(0)	—
JAPAN	415	—	—	415	(0)	—
JORDAN	1	—	—	1	(0)	—
KAZAKHSTAN	1	—	—	1	(0)	—
KOREA, REPUBLIC OF	196	—	—	196	(0)	—
KUWAIT	12	—	—	12	(0)	—
LIECHTENSTEIN	11	—	—	11	—	—
LUXEMBOURG	390	—	—	390	(0)	—
MALAWI	1	—	—	1	(0)	—
MALAYSIA	9	—	—	9	(0)	—
MAURITIUS	6	—	—	6	(0)	—
MOROCCO	10	—	—	10	(0)	—
NETHERLANDS	3,381	—	—	3,381	(0)	—
NEW ZEALAND	5	—	—	5	(0)	—
NIGERIA	9	—	—	9	(0)	—
NORWAY	312	—	—	312	(0)	—
PAKISTAN	1	—	—	1	(0)	—

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At 31 December 2025 (€m)	Gross carrying/Nominal amount			Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantee given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	of which: non- performing	of which: defaulted	of which: subject to impairment			
PERU	3	—	—	3	(0)	—
PHILIPPINES	6	—	—	6	(0)	—
POLAND	64	—	—	64	(0)	—
PORTUGAL	81	—	—	81	(0)	—
RUSSIAN FEDERATION	187	—	—	187	(1)	—
SAUDI ARABIA	16	—	—	16	(0)	—
SERBIA	1	—	—	1	(0)	—
SINGAPORE	400	—	—	400	(0)	—
SLOVAKIA	505	—	—	505	(0)	—
SLOVENIA	179	—	—	179	(0)	—
SPAIN	423	—	—	423	(0)	—
20 SRI LANKA	7	—	—	7	(0)	—
SWEDEN	268	—	—	268	(0)	—
SWITZERLAND	341	—	—	341	(0)	—
TAIWAN, PROVINCE OF CHINA	47	—	—	47	(0)	—
THAILAND	7	—	—	7	(0)	—
TURKEY	10	—	—	10	(0)	—
UGANDA	1	—	—	1	(0)	—
UNITED ARAB EMIRATES	36	—	—	36	(0)	—
UNITED KINGDOM	3,982	—	—	3,982	(0)	—
UNITED STATES	12,541	—	—	12,541	(0)	—
VIET NAM	4	—	—	4	(0)	—
ZAMBIA	1	—	—	1	(0)	—
ZIMBABWE	1	—	—	1	(0)	—
70 OTHER COUNTRIES	3,340	—	—	3,340	(0)	—
<b>80 Off-balance-sheet exposures</b>	<b>0</b>	<b>—</b>	<b>—</b>		<b>—</b>	
90 GERMANY	0	—	—		—	
140 OTHER COUNTRIES	—	—	—		—	
<b>150 Total</b>	<b>47,606</b>	<b>—</b>	<b>—</b>	<b>47,606</b>	<b>(2)</b>	<b>—</b>

Note: 'Other countries' includes multilateral development banks and international organisations which operate across multiple regions.

**Table 13: EU CR1-A Maturity of exposures**

This table shows the carrying value of the European Bank's on- and off-balance sheet loans, advances and debt security exposures by maturity horizon. Cash placements at central banks and other demand deposits are excluded.

At 31 December 2025 (€m)	Net exposure value					Total
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	
1 Loans and advances	140	10,180	—	—	1	10,322
2 Debt securities	—	3,296	15,305	2,216	—	20,817
<b>3 Total</b>	<b>140</b>	<b>13,476</b>	<b>15,305</b>	<b>2,216</b>	<b>1</b>	<b>31,138</b>

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**Table 14: EU CQ3 Credit quality of performing and non-performing exposures by past due days**

This table illustrates the European Bank's performing and non-performing central bank deposits, loans, advances and debt security exposures by due date, inclusive of off-balance sheet items. The European Bank did not have any non-performing exposures at the disclosure date.

At 31 December 2025 (€m)	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
	Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted	
5 <b>Cash balances at central banks and other demand deposits</b>	<b>16,468</b>	<b>16,468</b>	—	—	—	—	—	—	—	—	—	—
10 <b>Loans and advances</b>	<b>10,322</b>	<b>10,322</b>	—	—	—	—	—	—	—	—	—	—
20 Central banks	118	118	—	—	—	—	—	—	—	—	—	—
30 General governments	0	0	—	—	—	—	—	—	—	—	—	—
40 Credit institutions	9,946	9,946	—	—	—	—	—	—	—	—	—	—
50 Other financial corporations	258	258	—	—	—	—	—	—	—	—	—	—
60 Non-financial corporations	0	0	—	—	—	—	—	—	—	—	—	—
70 Of which SMEs	—	—	—	—	—	—	—	—	—	—	—	—
80 Households	—	—	—	—	—	—	—	—	—	—	—	—
90 <b>Debt securities</b>	<b>20,817</b>	<b>20,817</b>	—	—	—	—	—	—	—	—	—	—
100 Central banks	—	—	—	—	—	—	—	—	—	—	—	—
110 General governments	9,527	9,527	—	—	—	—	—	—	—	—	—	—
120 Credit institutions	9,316	9,316	—	—	—	—	—	—	—	—	—	—
130 Other financial corporations	1,962	1,962	—	—	—	—	—	—	—	—	—	—
140 Non-financial corporations	12	12	—	—	—	—	—	—	—	—	—	—
150 <b>Off-balance-sheet exposures</b>	<b>0</b>		—	—	—	—	—	—	—	—	—	—
160 Central banks	—		—	—	—	—	—	—	—	—	—	—
170 General governments	—		—	—	—	—	—	—	—	—	—	—
180 Credit institutions	—		—	—	—	—	—	—	—	—	—	—
190 Other financial corporations	0		—	—	—	—	—	—	—	—	—	—
200 Non-financial corporations	—		—	—	—	—	—	—	—	—	—	—
210 Households	—		—	—	—	—	—	—	—	—	—	—
<b>220 Total</b>	<b>47,606</b>	<b>47,606</b>	—	—	—	—	—	—	—	—	—	—

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**Table 15: EU CR1 Performing and non-performing exposures and related provisions**

This table shows the European Bank's on-balance sheet loans, advances and debt securities by exposure class. The carrying values are presented by performing and non-performing status with an appropriate ECL impairment classification where applicable. Further, it presents the carrying values of eligible collateral and guarantees received.

At 31 December 2025 (€m)	Gross carrying amount/nominal amount												Accumulated partial write- off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions		Non-performing exposures – accumulated impairment, accumulated negative changes in fair value			On performing exposures		On non- performing exposures	
	Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3				
<b>5 Cash balances at central banks and other demand deposits</b>	<b>16,468</b>	<b>16,094</b>	<b>374</b>	—	—	—	(2)	(0)	(2)	—	—	—	—	—	—
<b>10 Loans and advances</b>	<b>10,322</b>	<b>10,322</b>	—	—	—	—	(0)	(0)	—	—	—	—	—	8,825	—
20 Central banks	118	118	—	—	—	—	—	—	—	—	—	—	—	—	—
30 General governments	0	0	—	—	—	—	—	—	—	—	—	—	—	—	—
40 Credit institutions	9,946	9,946	—	—	—	—	(0)	(0)	—	—	—	—	—	8,825	—
50 Other financial corporations	258	258	—	—	—	—	(0)	(0)	—	—	—	—	—	0	—
60 Non-financial corporations	0	0	—	—	—	—	—	—	—	—	—	—	—	—	—
70 Of which SMEs	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
80 Households	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>90 Debt securities</b>	<b>20,817</b>	<b>20,817</b>	—	—	—	—	(0)	(0)	—	—	—	—	—	2,299	—
100 Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
110 General governments	9,527	9,527	—	—	—	—	(0)	(0)	—	—	—	—	—	436	—
120 Credit institutions	9,316	9,316	—	—	—	—	(0)	(0)	—	—	—	—	—	1,182	—
130 Other financial corporations	1,962	1,962	—	—	—	—	(0)	(0)	—	—	—	—	—	668	—
140 Non-financial corporations	12	12	—	—	—	—	(0)	(0)	—	—	—	—	—	12	—
<b>150 Off-balance-sheet exposures</b>	<b>0</b>	<b>0</b>	—	—	—	—	—	—	—	—	—	—	—	—	—
160 Central banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
170 General governments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
180 Credit institutions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
190 Other financial corporations	0	0	—	—	—	—	—	—	—	—	—	—	—	—	—
200 Non-financial corporations	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
210 Households	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>220 Total</b>	<b>47,606</b>	<b>47,232</b>	<b>374</b>	—	—	—	(2)	(0)	(2)	—	—	—	—	11,124	—

### 5.8 Article 440 CRR III - Countercyclical capital buffers

The tables on the following pages give an overview of the geographical distribution of credit exposures relevant to the calculation of the European Bank's countercyclical capital buffer. For this purpose the European Bank classes its geographical exposures in line with the country where the final risk / guarantor resides, if any, not the country where the exposure has been booked.

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

**Table 16: EU CCYB1 Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer**

The European Bank has exposures to the following countries relevant to the calculation of the countercyclical buffer.

At 31 December 2025 (€m)	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposure value (non-trading book)	Total exposure value	Own fund requirements			Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)	
	Exposure value (standardised approach)	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures	Relevant credit exposures – Market risk	Relevant securitisation positions (non-trading book)				Total
10 Breakdown by country:													
ANDORRA	1	—	—	—	—	1	0	—	—	0	0	0.02 %	— %
AUSTRALIA	0	—	—	—	—	0	0	—	—	0	0	0.00 %	1.00 %
AUSTRIA	454	—	—	—	—	454	4	—	—	4	45	2.07 %	— %
BELGIUM	830	—	—	—	24	854	35	—	0	35	441	20.07 %	1.00 %
BERMUDA	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
BOTSWANA	0	—	—	—	—	0	0	—	—	0	0	0.01 %	— %
BRAZIL	1	—	—	—	—	1	0	—	—	0	1	0.06 %	— %
CANADA	4	—	—	—	—	4	0	—	—	0	4	0.20 %	— %
CAYMAN ISLANDS	2	—	—	—	—	2	0	—	—	0	2	0.11 %	— %
CHILE	16	—	—	—	—	16	1	—	—	1	8	0.36 %	0.50 %
COLOMBIA	10	—	—	—	—	10	1	—	—	1	10	0.46 %	— %
COSTA RICA	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
COTE D'IVOIRE	1	—	—	—	—	1	0	—	—	0	1	0.04 %	— %
CYPRUS	1	—	—	—	—	1	0	—	—	0	1	0.03 %	1.00 %
DENMARK	102	—	—	—	—	102	8	—	—	8	102	4.62 %	2.50 %
EGYPT	54	—	—	—	—	54	4	—	—	4	54	2.45 %	— %
20 FINLAND	8	—	—	—	—	8	1	—	—	1	8	0.39 %	— %
FRANCE	62	—	—	—	89	152	2	—	1	3	41	1.88 %	1.00 %
GERMANY	859	—	—	—	—	859	26	—	—	26	319	14.54 %	0.75 %
GHANA	1	—	—	—	—	1	0	—	—	0	1	0.04 %	— %
HONG KONG	0	—	—	—	—	0	0	—	—	0	0	0.00 %	0.50 %
INDONESIA	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
IRELAND	105	—	—	—	238	343	8	—	4	12	149	6.80 %	1.50 %
ISLE OF MAN	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
ISRAEL	9	—	—	—	—	9	1	—	—	1	6	0.29 %	— %
ITALY	104	—	—	—	—	104	1	—	—	1	14	0.62 %	— %
JAPAN	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
JORDAN	1	—	—	—	—	1	0	—	—	0	1	0.04 %	— %
KAZAKHSTAN	1	—	—	—	—	1	0	—	—	0	1	0.05 %	— %
KENYA	0	—	—	—	—	0	0	—	—	0	1	0.03 %	— %
KOREA, REPUBLIC OF	31	—	—	—	—	31	0	—	—	0	6	0.28 %	1.00 %
LUXEMBOURG	182	—	—	—	—	182	15	—	—	15	182	8.28 %	0.50 %
MALAWI	1	—	—	—	—	1	0	—	—	0	1	0.03 %	— %

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

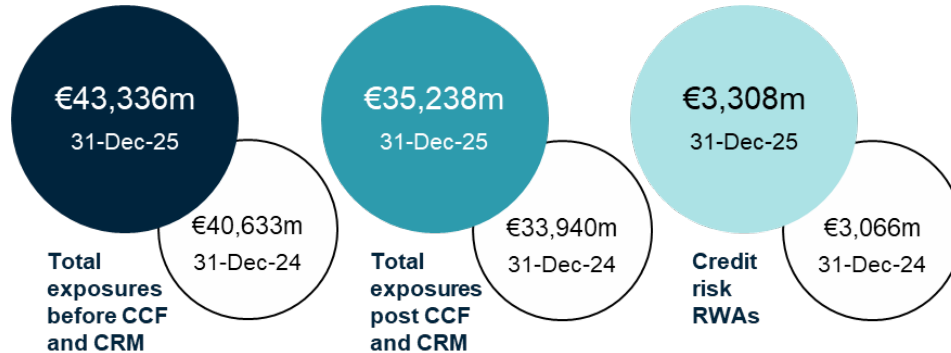
At 31 December 2025 (€m)	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposure value (non-trading book)	Total exposure value	Own fund requirements			Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)	
	Exposure value (standardised approach)	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures	Relevant credit exposures – Market risk	Relevant securitisation positions (non-trading book)				Total
MALAYSIA	9	—	—	—	—	9	1	—	—	1	9	0.42 %	— %
MALTA	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
MOROCCO	10	—	—	—	—	10	1	—	—	1	10	0.46 %	— %
NAMIBIA	0	—	—	—	—	0	0	—	—	0	0	0.01 %	— %
NETHERLANDS	771	—	—	—	112	882	11	—	2	12	154	7.01 %	2.00 %
NIGERIA	9	—	—	—	—	9	1	—	—	1	14	0.64 %	— %
NORWAY	183	—	—	—	—	183	1	—	—	1	18	0.84 %	2.50 %
Other Countries	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
PERU	3	—	—	—	—	3	0	—	—	0	3	0.16 %	— %
POLAND	0	—	—	—	0	0	0	—	0	0	0	0.00 %	1.00 %
PORTUGAL	81	—	—	—	—	81	1	—	—	1	8	0.37 %	— %
RUSSIAN FEDERATION	186	—	—	—	—	186	15	—	—	15	186	8.49 %	— %
SINGAPORE	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
SLOVAKIA	314	—	—	—	—	314	3	—	—	3	40	1.81 %	1.50 %
SPAIN	247	—	—	—	—	247	2	—	—	2	26	1.19 %	0.50 %
SWEDEN	11	—	—	—	—	11	0	—	—	0	1	0.05 %	2.00 %
SWITZERLAND	2	—	—	—	—	2	0	—	—	0	2	0.09 %	— %
TAIWAN, PROVINCE OF CHINA	47	—	—	—	—	47	2	—	—	2	24	1.07 %	— %
TANZANIA, UNITED REPUBLIC OF	0	—	—	—	—	0	0	—	—	0	0	0.01 %	— %
TUNISIA	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
TURKEY	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
UGANDA	1	—	—	—	—	1	0	—	—	0	1	0.05 %	— %
UKRAINE	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
UNITED ARAB EMIRATES	36	—	—	—	—	36	1	—	—	1	18	0.82 %	— %
UNITED KINGDOM	441	—	—	—	30	471	11	—	0	11	143	6.50 %	2.00 %
UNITED STATES	125	—	—	—	22	147	10	—	0	10	129	5.87 %	— %
URUGUAY	0	—	—	—	—	0	0	—	—	0	0	0.00 %	— %
VIET NAM	4	—	—	—	—	4	0	—	—	0	6	0.27 %	— %
ZAMBIA	1	—	—	—	—	1	0	—	—	0	1	0.06 %	— %
ZIMBABWE	1	—	—	—	—	1	0	—	—	0	1	0.04 %	— %
<b>Total</b>	<b>5,324</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>516</b>	<b>5,840</b>	<b>168</b>	<b>—</b>	<b>8</b>	<b>176</b>	<b>2,197</b>	<b>100.00 %</b>	

Note: Totals may not sum precisely to the constituent components due to rounding and presentational considerations. In prior disclosures, exposures to jurisdictions without a domestic countercyclical buffer rate in effect at the relevant reference dates were included in Other Countries.

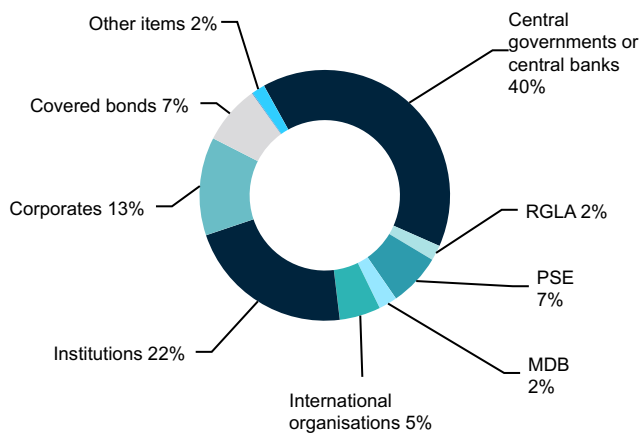
Table 17: EU CCYB2 Amount of institution-specific countercyclical capital buffer

At 31 December 2025 (€m)	
1 Total risk exposure amount	6,092
2 Institution specific countercyclical capital buffer rate (%)	0.92 %
3 Institution specific countercyclical capital buffer requirement	56

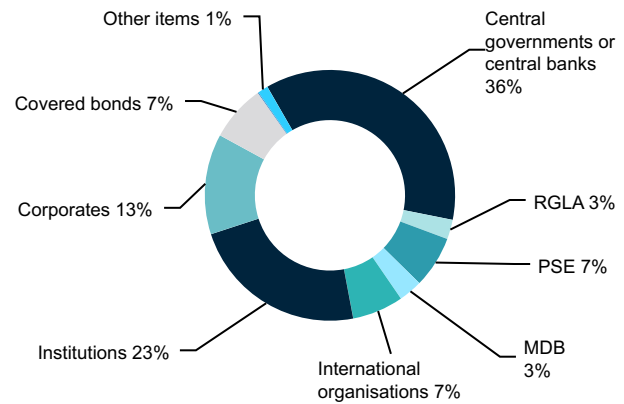
## 6 Article 444 CRR III - Use of the Standardised Approach



Standardised net credit exposure by counterparty at 31 December 2025



Standardised net credit exposure by counterparty at 31 December 2024



Note:  
 MDB: Multilateral development banks,  
 PSE: Public sector entities,  
 RGLA: Regional governments/local authorities,  
 CIU: Collective investments undertakings

The standardised approach requires the European Bank to use risk assessments prepared by External Credit Rating Assessment Institutions ('ECAIs') to determine the risk-weightings applied to rated counterparties and securities. The European Bank uses S&P Global Ratings, Fitch, and Moody's as its ECAIs for all exposure classes. There has been no change to these ECAIs during the period. Specifically in relation to exposures to institutions, the European Bank applies the newly issued Fitch 'ex-government support' ('XGS') ratings, which remove any uplift based on expected extraordinary public support. These ratings are used exclusively for exposures to institutions that are neither owned, controlled, nor sponsored by governmental entities.

The European Bank uses Credit Quality Steps ('CQS') to calculate the RWAs associated with credit risk exposures. Each CQS is mapped from the relevant ECAIs, with ECAI credit assessments applied to all applicable exposure classes. The European Bank therefore identifies the exposure type, the contractual maturity and the corresponding CQS to assign the appropriate risk-weight percentage.

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

For 31 December 2025, in line with CRR III due-diligence requirements, the European Bank assessed whether ECAI-derived CQSs remained appropriate for each exposure class. In a limited number of cases during the disclosure period, the European Bank's internal review identified higher credit risks than implied by the external rating. As a result, the European Bank applied a higher CQS than those mapped from ECAI ratings for certain exposures to institutions, corporates and covered bonds. This ensured that the assigned risk weights remained consistent with prudential expectations and reflected all information available to the European Bank.

Please refer to page 23 for an outline of the overall increase in credit-risk weighted exposure amounts.

**Table 18: EU CR4 Standardised approach – Credit risk exposure and CRM effects**

This table shows the effect of the standardised approach on the calculation of capital requirements for the European Bank based on its exposures under the prudential regulatory scope. The risk-weighted exposure amount ('RWA') density provides a synthetic metric on the riskiness of each portfolio.

At 31 December 2025 (€m)	Exposures before CCF and CRM		Exposures post CCF and CRM		RWEAs and RWEAs density	
	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWEA	RWEA density (%)
1 Central governments or central banks	17,191	—	18,879	—	65	0.34 %
2 Non-central government public sector entities	3,798	—	2,374	—	158	6.68 %
EU 2a Regional governments or local authorities	854	—	1,240	—	13	1.02 %
EU 2b Public sector entities	2,945	—	1,134	—	146	12.87 %
3 Multilateral development banks	1,036	—	1,036	—	0	— %
EU 3a International organisations	2,304	—	2,304	—	0	— %
4 Institutions	9,427	—	5,590	—	1,253	22.41 %
5 Covered bonds	3,304	—	3,304	—	339	10.25 %
6 Corporates	5,492	—	995	—	621	62.37 %
6.1 Of which: Specialised Lending	—	—	—	—	—	— %
7 Subordinated debt exposures and equity	4	—	4	—	4	100.00 %
EU 7a Subordinated debt exposures	—	—	—	—	—	— %
EU 7b Equity	4	—	4	—	4	100.00 %
8 Retail	—	—	—	—	—	— %
9 Secured by mortgages on immovable property and ADC exposures	—	—	—	—	—	— %
9.1 Secured by mortgages on residential immovable property - non IPRE	—	—	—	—	—	— %
9.2 Secured by mortgages on residential immovable property - IPRE	—	—	—	—	—	— %
9.3 Secured by mortgages on commercial immovable property - non IPRE	—	—	—	—	—	— %
9.4 Secured by mortgages on commercial immovable property - IPRE	—	—	—	—	—	— %
9.5 Acquisition, Development and Construction (ADC)	—	—	—	—	—	— %
10 Exposures in default	—	—	—	—	—	— %
EU 10a Claims on institutions and corporates with a short-term credit assessment	—	—	—	—	—	— %
EU 10b Collective investment undertakings (CIU)	—	34	—	7	84	1250.00 %
EU 10c Other items	745	—	745	—	784	105.22 %
<b>12 Total</b>	<b>43,302</b>	<b>34</b>	<b>35,231</b>	<b>7</b>	<b>3,308</b>	<b>9.39 %</b>

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

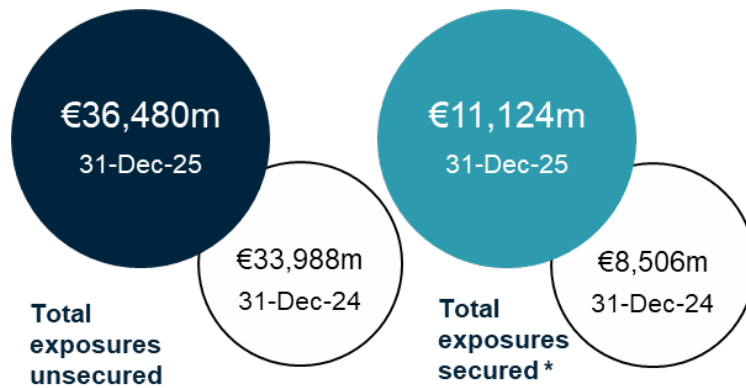
**Table 19: EU CR5 Standardised approach**

This table shows the breakdown of the European Bank's on- and off-balance sheet exposures under the prudential regulatory scope after the application of both conversion factors and risk mitigation techniques.

At 31 December 2025 (€m)	Risk weight																				Total	Of which Unrated	
	0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%	70%	75%	80%	90%	100%	105%	150%	250%	1250%			Others
1 Central governments or central banks	18,555	—	—	—	324	—	—	—	—	0	—	—	—	—	—	0	—	—	—	—	—	18,879	0
2 Non-central government public sector entities	1,637	—	—	—	700	—	—	—	—	37	—	—	—	—	—	—	—	—	—	—	—	2,374	27
EU 2a Regional governments or local authorities	1,177	—	—	—	63	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,240	—
EU 2b Public sector entities	460	—	—	—	637	—	—	—	—	37	—	—	—	—	—	—	—	—	—	—	—	1,134	27
3 Multilateral development banks	1,036	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,036	—
EU 3a International organisations	2,304	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,304	—
4 Institutions	—	—	—	—	4,829	569	—	128	—	10	—	—	—	—	—	43	—	11	—	—	—	5,590	547
5 Covered bonds	—	—	—	3,221	83	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3,304	—
6 Corporates	—	—	—	—	376	—	—	—	—	157	—	—	9	—	—	437	—	15	—	—	—	995	437
6.1 Of which: Specialised Lending	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7 Subordinated debt exposures and equity	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4	—	—	—	—	—	4	—
EU 7a Subordinated debt exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
EU 7b Equity	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	4	—	—	—	—	—	4	—
8 Retail exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9 Secured by mortgages on immovable property and ADC exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.1 Secured by mortgages on residential immovable property - non IPRE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.1.1 no loan splitting applied	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.1.2 loan splitting applied (secured)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.1.3 loan splitting applied (unsecured)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.2 Secured by mortgages on residential immovable property - IPRE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.3 Secured by mortgages on commercial immovable property - non IPRE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.3.1 no loan splitting applied	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.3.2 loan splitting applied (secured)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.3.3 loan splitting applied (unsecured)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.4 Secured by mortgages on commercial immovable property - IPRE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9.5 Acquisition, Development and Construction (ADC)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10 Exposures in default	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
EU 10a Claims on institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
EU 10b Collective investment undertakings (CIU)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	7	—	7	7
EU 10c Other items	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	719	—	—	26	—	—	745	745
<b>EU 11c TOTAL</b>	<b>23,532</b>	<b>—</b>	<b>—</b>	<b>3,221</b>	<b>6,311</b>	<b>569</b>	<b>—</b>	<b>128</b>	<b>—</b>	<b>205</b>	<b>—</b>	<b>—</b>	<b>9</b>	<b>—</b>	<b>—</b>	<b>1,203</b>	<b>—</b>	<b>27</b>	<b>26</b>	<b>7</b>	<b>—</b>	<b>35,238</b>	<b>1,762</b>

Note: Columns relating to the 110%, 130%, 370% and 400% risk weights contain no disclosable data and have therefore not been disclosed for presentational purposes.

## 7 Article 453 CRR III - Use of credit risk mitigation techniques



\* Representing eligible collateral for the European Bank's on-balance sheet carrying value of loans, advances and debt securities which differs from the adjusted collateral eligible under COREP.

### 7.1 Netting

The European Bank manages credit risk through a variety of credit risk mitigation strategies including collateral and master netting agreements and netting arrangements.

The European Bank facilitates customer settlement activity which gives rise to receivables and payables across multiple accounts. On-balance sheet netting agreements have a similar effect to a 'cash-pooling' arrangement, insofar as the amounts due from customers can be recorded on a net basis across accounts. The European Bank does not apply any off-balance sheet netting.

The European Bank also has master netting agreements ('MNAs') with other BNY entities that allow it to net eligible intercompany balances with individual intergroup entities and their branches. Currently, two such agreements are in place, one with the Bank of New York Mellon Corporation and selected branches (31 December 2025: €3.6 billion) and one with BNY Mellon (International) Limited (31 December 2025: €10 million). The agreements meet the requirements of the CRR for regulatory credit risk mitigation purposes. Derivatives and other "Qualified Financial Contracts" are excluded from the MNA calculations. To establish the aggregated exposure to BNY Mellon Corp as a connected group of counterparties, the net result of each MNA is added to the exposures that are not eligible to an MNA.

International Swaps and Derivatives Association ('ISDA') Master Agreements as well as Global Master Repurchase Agreements ('GMRA'), both including terms and conditions for netting, can be used to mitigate counterparty credit risk. The ISDA/GMRA agreements incorporate schedules that allow the contracting parties to customise the terms and conditions to their mutual satisfaction to cover termination events, netting arrangements, security and other matters.

### 7.2 Collateral valuation and management

The European Bank can receive collateral from a counterparty which can include guarantees, cash and both equities and debt securities. When a right of pledge exists, the European Bank also has the ability to call on this collateral in the event of a default by the counterparty.

Collateral amounts are marked-to-market on a daily basis to ensure that they continue to provide the required risk mitigation value. Securities are marked-to-market daily and haircuts are applied to protect the European Bank in the event of the value of the collateral suddenly reducing in value due to adverse market conditions.

The European Bank operates a detailed 'collateral eligibility' policy describing in detail the requirements in terms of maximum amount per counterparty/geography, minimum counterparty credit quality, maximum residual maturity, haircuts, concentration and wrong way risk. These requirements are product-specific, i.e. specific to currency and interest derivatives and to (reverse-) repo. A dedicated collateral eligibility grid exists for centrally cleared (reverse-) repo.

### 7.3 Guarantors and credit derivative counterparty

This table shows the extent of credit risk mitigation techniques utilised by the European Bank on its on-balance sheet carrying values, inclusive of placements at central banks and other demand deposits, and accumulated impairment. Financial and other eligible collateral can include cash, debt securities, equities or gold, and their values are taken into account for the purposes of calculating the risk-weighted exposure amount of the underlying exposure.

**Table 20: EU CR3 CRM techniques overview: Disclosure of the use of credit risk mitigation techniques**

At 31 December 2025 (€m)	Unsecured carrying amount		Secured carrying amount		
			Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1 Loans and advances	17,962	8,825	8,825	—	—
2 Debt securities	18,518	2,299	—	2,299	—
<b>3 Total</b>	<b>36,480</b>	<b>11,124</b>	<b>8,825</b>	<b>2,299</b>	<b>—</b>
4 Of which non-performing exposures	—	—	—	—	—
EU-5 Of which defaulted	—	—	—	—	—

The amount secured at year-end relates to financial guarantees primarily stemming from exposures to credit institutions, central governments and other financial corporations. Collateral received on loans and advances was primarily in the form of equity and debt securities.

There are no exposures covered by credit derivatives at 31 December 2025. Using guarantees has the effect of replacing the risk-weight of the underlying exposure with that of the institution providing the credit protection. Guarantors are primarily rated as investment grade.

### 7.4 Credit concentration risk

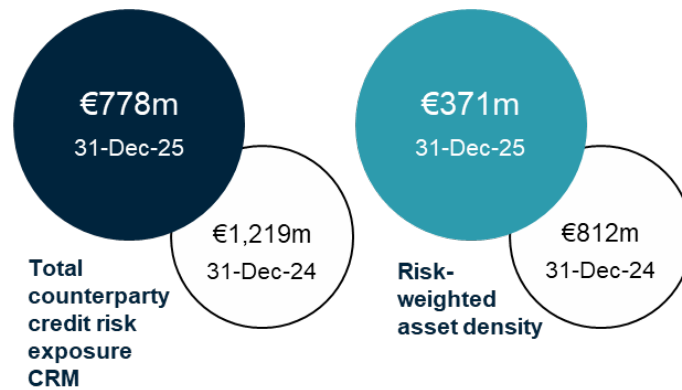
Credit concentration risk results from concentration of exposures to a single counterparty, borrower or group of connected counterparties or borrowers. This includes on- and off-balance sheet exposures. In addition, industry, country and collateral concentration bear additional credit risk as the systemic credit quality issue in a sector will create losses for the whole sector. The European Bank has an appetite to place funds only with institutions having an internal rating of 10 or better (equivalent to Moody's/S&P external rating of Baa3/BBB- respectively). Whilst this approach undoubtedly constrains the number of eligible placement counterparties as well as the deposit spread, it also ensures that exposures are well controlled and less likely to default.

The risk of credit concentrations is controlled and managed according to client/counterparty as opposed to industry. Sovereign limits (in particular for the securities portfolio) are approved by the CROC. Under European and Belgian bank regulations, all large external individual exposures have to stay below a 25% threshold of their own funds. Shadow banking exposure follows the same rule.

In addition, to ensure compliance with the Large Exposures and Shadow Banking Regime, the European Bank's Credit Policy limits credit risk approvals to internally defined thresholds to ensure that exposures are kept below the maximum of 25% of Tier 1 capital, in line with Article 395.

The largest exposure is to The Bank of New York Mellon and is spread across multiple branches and locations which provide some mitigation in the case of the default or rating downgrade of a related party. The remaining placements (including central bank placements) are diversified across a number of banks and geographic locations. The European Bank calculates, manages and reports Credit Concentration Risk on a day-to-day basis, addressing the requirements of the business and the risk function, and to report Large Exposures to the NBB in line with applicable Large Exposures regulatory reporting requirements. There was no regulatory breach in 2025, neither towards external counterparties nor towards intergroup exposures.

## 8 Article 439 CRR III - Exposures to counterparty credit risk



Counterparty credit risk is the risk of a counterparty to a (derivatives or (reverse-)repo) contract (recorded in either the trading book or non-trading book) defaulting before fulfilment of cash-flow obligations. The size of the potential loss could be reduced by the application of netting and/or collateral (margining) agreements with the counterparty.

The European Bank's approach to the management of counterparty credit risk is governed by the BNY Counterparty Credit Risk Framework Policy and applies to all First Line and Second Line of Defence teams globally that manage counterparty credit risk

Risk metrics, which include current, potential and stressed exposure, are reported daily and are provided to the business and Credit Risk officers to assess credit risk and monitor it against limits. The process for assigning counterparty credit risk limits is noted in section 5.3 Credit risk management.

The European Bank applies the BNY framework for accepting and assigning value to financial collateral for the European Bank's internal risk management practices. The approach for securing collateral is noted in section 7.2 Collateral valuation and management.

A risk identification process proactively and holistically identifies and evaluates counterparty credit risks. The results of both the counterparty risk identification and stress testing processes are utilised to identify material counterparty risks. The components of the risk identification process are governed by a standalone counterparty credit risk stress testing framework.

Credit Risk Second Line of Defence actively monitors counterparty credit and oversees limit adherence and utilisation with an escalation route to senior management. Senior management examines and assesses counterparty credit risk at monthly meetings.

As at 31 December 2025 the European Bank's supervisory reporting contained counterparty credit risk exposures but did not have exposures to credit derivatives. Consequently, the following table has no reportable values and is not disclosed:

- EU CCR6: Credit derivatives exposures

The European Bank does not apply any internal model approaches to the supervisory reporting of counterparty credit risk therefore the following tables have no reportable values and are not disclosed:

- EU CCR4: IRB approach - CCR exposures by exposure class and PD scale
- EU CCR7: RWEA flow statements of CCR exposures under the IMM

### Table 21: EU CCR1 Analysis of CCR exposure by approach

The table on the following page shows a comprehensive view of the methods and parameters used by the European Bank to calculate its counterparty credit risk.

SA-CCR is a non-modelled approach for measuring the counterparty credit risk exposure associated with derivatives. The calculated derivative exposure amount is used for further calculating Risk Weighted Assets, Credit Value Adjustment, Large Exposures and Leverage exposures.

SA-CCR is a risk sensitive method as it differentiates between margined and un-margined transactions and provides more meaningful recognition of netting benefits.

The European Bank also applies the Financial Collateral Comprehensive Method for its exposures to SFTs.

The table does not include exposures to Qualified Central Counterparties ('QCCP'). See table CCR8.

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

At 31 December 2025 (€m)	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre- CRM	Exposure value post-CRM	Exposure value	RWEA
EU1 EU - Original Exposure Method (for derivatives)	—	—		1.4	—	—	—	—
EU2 EU - Simplified SA-CCR (for derivatives)	—	—		1.4	—	—	—	—
1 SA-CCR (for derivatives)	46	445		1.4	1,058	688	688	353
2 IMM (for derivatives and SFTs)				—	—	—	—	—
2a Of which securities financing transactions netting sets				—	—	—	—	—
Of which derivatives and long settlement transactions netting sets				—	—	—	—	—
2b Of which from contractual cross-product netting sets				—	—	—	—	—
3 Financial collateral simple method (for SFTs)				—	—	—	—	—
4 Financial collateral comprehensive method (for SFTs)				—	8,878	89	89	18
5 VaR for SFTs				—	—	—	—	—
<b>6 Total</b>					<b>9,937</b>	<b>777</b>	<b>777</b>	<b>371</b>

**Table 22: EU CCR3 Standardised approach – CCR exposures by regulatory exposure class and risk weights**

The table below shows the European Bank's derivative and SFT exposures subject to counterparty credit risk, presented by exposure class and risk-weights under CRR III where applicable.

At 31 December 2025 (€m)												Total exposure value
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1 Central governments or central banks	3	—	—	12	15	4	—	—	—	0	—	35
2 Regional government or local authorities	—	—	—	—	—	—	—	—	—	—	—	—
3 Public sector entities	—	—	—	—	0	—	—	—	—	—	—	0
4 Multilateral development banks	—	—	—	—	—	—	—	—	—	—	—	—
5 International organisations	—	—	—	—	—	—	—	—	—	—	—	—
6 Institutions	—	—	—	—	425	0	—	—	—	0	49	474
7 Corporates	—	1	—	—	—	7	—	3	258	—	—	269
8 Retail	—	—	—	—	—	—	—	—	—	—	—	—
9 Institutions and corporates with a short-term credit assessment	—	—	—	—	—	—	—	—	—	—	—	—
10 Other items	—	—	—	—	—	—	—	—	—	—	—	—
<b>11 Total exposure value</b>	<b>3</b>	<b>1</b>	<b>—</b>	<b>12</b>	<b>440</b>	<b>11</b>	<b>—</b>	<b>3</b>	<b>258</b>	<b>1</b>	<b>49</b>	<b>778</b>

**Table 23: EU CCR5 Composition of collateral for CCR exposures**

This table provides an overview of the collateral posted and received on exposures subject to counterparty credit risk by type.

At 31 December 2025 (€m)	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1 Cash – domestic currency	—	90	—	110	—	—	—	1
2 Cash – other currencies	—	168	—	147	—	16	—	—
3 Domestic sovereign debt	—	—	—	—	—	—	—	—
4 Other sovereign debt	67	6	74	—	—	8,693	—	14
5 Government agency debt	—	—	—	—	—	—	—	—
6 Corporate bonds	—	—	—	—	—	12	—	—
7 Equity securities	—	—	—	—	—	—	—	—
8 Other collateral	—	—	—	—	—	—	—	—
<b>9 Total</b>	<b>67</b>	<b>263</b>	<b>74</b>	<b>258</b>	<b>—</b>	<b>8,721</b>	<b>—</b>	<b>15</b>

**Table 24: EU CCR8 Exposures to CCPs**

This table provides a comprehensive picture of the European Bank's derivatives, SFTs, and default fund contributions to central counterparty clearing houses.

At 31 December 2025 (€m)	Exposure value	RWEA
<b>1 Exposures to QCCPs (total)</b>		0
2 Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1	0
3 OTC derivatives	—	—
4 Exchange-traded derivatives	—	—
5 SFTs	1	0
6 Netting sets where cross-product netting has been approved	—	—
7 Segregated initial margin	—	—
8 Non-segregated initial margin	—	—
9 Prefunded default fund contributions	1	0
10 Unfunded default fund contributions	—	—
<b>11 Exposures to non-QCCPs (total)</b>		—
12 Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	—	—
13 OTC derivatives	—	—
14 Exchange-traded derivatives	—	—
15 SFTs	—	—
16 Netting sets where cross-product netting has been approved	—	—
17 Segregated initial margin	—	—
18 Non-segregated initial margin	—	—
19 Prefunded default fund contributions	—	—
20 Unfunded default fund contributions	—	—

### 8.1 Wrong-way risk

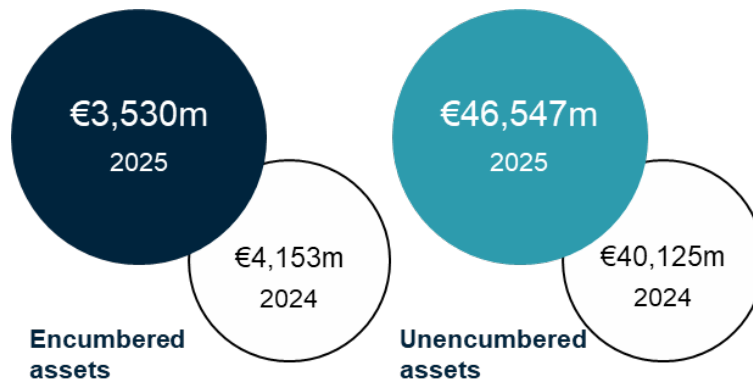
Wrong way risk ('WWR') exists when the exposure to a particular counterparty is positively correlated with the probability of default of the counterparty itself. This risk can be associated with financial collateral that is posted by a counterparty as security for a transaction.

The European Bank recognises two types of WWR:

- General WWR exists when the exposure to a counterparty is positively correlated to the counterparty's probability of default due to changes in market risk factors.
- Specific WWR exists when counterparty exposure is highly correlated with the counterparty's probability of default due to a legal relationship between the counterparty and the collateral supporting the transaction.

The European Bank takes particular care to ensure that wrong-way risk between collateral and exposures does not exist and/or is monitored and stress tested periodically.

9 Article 443 CRR III - Encumbered and unencumbered assets



The European Bank has a collateral agreement with Euroclear to cover an intraday credit line for USD 2.1 billion. The European Bank invests in various bonds; these have been further pledged as collateral to Euroclear and Clearstream to cover uncommitted credit facilities during 2025. The European Bank provides initial margin to BNY in the form of securities through a framework of non-centrally cleared OTC derivatives. Overall, €3.2 billion of securities were pledged as at 31 December 2025.

To mitigate credit risk deriving from FX, the European Bank utilises collateralised netting. As a result, the European Bank notes FX cash collateral in encumbered assets.

The carrying and fair value of encumbered assets by type, based on median values, are as follows:

Table 25: EU AE1 Encumbered and unencumbered assets

At 31 December 2025 (€m)	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
<b>10 Assets of the reporting institution</b>	<b>3,530</b>	<b>3,175</b>			<b>46,547</b>	<b>28,358</b>		
30 Equity instruments	—	—	—	—	4	—	4	—
40 Debt securities	2,880	2,800	2,880	2,800	16,632	15,962	16,644	15,974
50 of which: covered bonds	242	242	242	242	2,964	2,955	2,965	2,956
60 of which: securitisations	—	—	—	—	327	—	327	—
70 of which: issued by general governments	763	763	763	763	7,886	7,886	7,896	7,896
80 of which: issued by financial corporations	2,117	2,038	2,117	2,037	8,802	8,306	8,802	8,305
90 of which: issued by non-financial corporations	—	—	—	—	12	12	12	12
120 Other assets	604	399			30,350	11,911		

Note: HQLA (High Quality Liquid Assets) / EHQLA (Extremely High Quality Liquid Assets)

Table 26: EU AE2 Collateral received and own debt securities issued

At 31 December 2025 (€m)	Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
		of which notionally eligible EHQLA and HQLA	Fair value of collateral received or own debt securities issued available for encumbrance	of which EHQLA and HQLA
<b>130 Collateral received by the disclosing institution</b>	—	—	<b>8,836</b>	<b>8,690</b>
140 Loans on demand	—	—	—	—
150 Equity instruments	—	—	—	—
160 Debt securities	—	—	8,690	8,690
170 of which: covered bonds	—	—	—	—
180 of which: securitisations	—	—	—	—
190 of which: issued by general governments	—	—	8,573	8,573
200 of which: issued by financial corporations	—	—	130	119
210 of which: issued by non-financial corporations	—	—	—	—
220 Loans and advances other than loans on demand	—	—	226	—
230 Other collateral received	—	—	—	—
240 Own debt securities issued other than own covered bonds or securitisations	—	—	—	—
241 Own covered bonds and securitisation issued and not yet pledged	—	—	—	—
<b>250 Total collateral received and debt securities issued</b>	<b>3,530</b>	<b>3,175</b>		

Table 27: EU AE3 Sources of encumbrance

At 31 December 2025 (€m)	Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
10 Carrying amount of selected financial liabilities	759	556

### 9.1 General information on asset encumbrance

Disclosed amounts are based on median values derived from the four quarter end reporting points in the year. Exposure values reflect the carrying values of the European Bank's Financial Reporting ('FinRep'). There is only one notable difference in amounts pledged under applicable accounting frameworks and amounts considered encumbered, being a facility in place with the Bundesbank. The nature of this arrangement is such that securities pledged overnight for access to a credit facility remain unencumbered as long as the corresponding credit remains undrawn. As at the reporting date this value was €8.9 billion (2024: €9.8 billion).

There is no difference in scope between asset encumbrance and liquidity.

#### Importance of asset encumbrance to the business model

As at 31 December 2025, the carrying amount of the encumbered debt securities primarily relates to collateral pledged to Euroclear and Clearstream in respect of uncommitted credit facilities and initial margin posted. Similarly, the European bank had encumbered assets in relation to repurchase agreements throughout the year, approximating to €0.2 billion on a median basis. (2024: €0.7 billion). Unencumbered debt securities are primarily comprised of instruments issued by financial corporations and general governments.

Other assets encumbered refer to monetary reserves, mainly placed with National Bank of Belgium, Centrale du Luxembourg and the Central Bank of Ireland, treated as encumbered assets as these cannot be freely withdrawn by the European Bank. On a median basis this amounted to €400 million (2024: €366 million). Other assets of €203 million on a median basis (2024: €140 million) includes cash collateral, largely stemming from variations in derivative related activity and default fund contributions.

Similarly, other assets not encumbered refers primarily to cash balances and other demand deposits, and a mix of debt securities. Other loans and advances, derivative related balances and a comparatively smaller amount representing goodwill & intangibles, tangible assets and misc accruals and prepayments make up the balance.

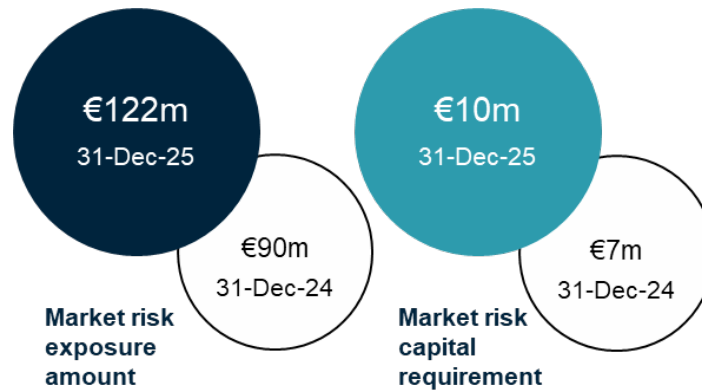
Selected liabilities reportable under EU AE3, on a median basis, primarily relates to the European Bank's repurchase and derivative activities in the year with repo related agreements down by €487 million. Partly offset by derivative related liabilities down €11 million.

Further, in respect of over-collateralisation the European bank does not issue securitised investments or covered bonds. The European Bank does not have any off-balance sheet sources of encumbrance.

The European Bank participates in transactions relating to the re-hypothecation of collateral obtained in repurchase transactions. It refers to the practice of financial institutions re-using collateral received in one transaction for another transaction. The activity is an integral component of a banking liquidity portfolio and allows the European Bank's Corporate Treasury to effectively utilise balances across a number of different entities and products.

See section 16.3 for more information around the European Bank's approach to encumbrance and liquidity risk management.

## 10 Article 445 CRR III - Exposure to market risk



Market risk is defined as the risk of financial loss or adverse change to the economic condition of BNY resulting from movements in market risk factors. Market risk factors include but are not limited to interest rates, foreign exchange rates, market liquidity, equity prices, credit spreads and issuer risk associated with the European Bank's trading portfolio and FX risk of the banking book.

Market risk is a systemic risk. Movements in markets are beyond the control of the European Bank. The risk to the European Bank manifests on trading book portfolios and banking book portfolios.

The European Bank bears traded market risk through the trading book activity mainly in foreign exchange products. The Corporate Treasury FX swap activity, utilised to manage banking book FX position, is classified as held for trading from an accounting perspective.

The following types of market risk are inherent in European Bank's business activities: (a) FX Risk (also part of Traded Market Risk), (b) Interest Rate Risk in the Banking Book (IRRBB), (c) Credit Spread Risk in the Banking Book, (d) Credit Valuation Adjustment (CVA) risk and (e) Pension Risk.

- the European Bank's revenues are denominated in a mix of currencies whereas a high proportion of the European Bank's costs are denominated in Euro. Apart from the risk of currency mismatch between revenues and cost, the European Bank is not significantly exposed to this risk. Currency risk also comes from the FX position within the derivatives trading book;
- Credit Valuation Adjustment ('CVA') risk relates to FX swaps used in the context of Treasury management and FX swaps for client activity in the trading book;
- Interest rate risk in the banking book ('IRRBB') refers to the current or prospective risk to the bank's earnings and capital arising from movements in interest rates that affect the European Bank's banking book positions and related repricing mismatches. The primary purpose of the management of IRRBB is to manage risks from interest rate movements by managing the exposure to volatility in, and optimizing the performance of, Earnings, including Net Interest Income ('NII'), and by limiting the volatility of the Economic Value of Equity ('EVE'). The interest rate risk in the trading book is not material.
- Credit Spread risk in the banking book ('CSRBB') refers to the current or prospective risk to the bank's earnings and capital arising from movements in the market credit spreads and market liquidity spreads that affect the bank's banking book positions. The primary purpose of CSRBB management is to manage risks in the banking book arising from credit spread movements, by managing the exposure to volatility in NII and Market Value ('MV') of securities accounted at Available for Sale ('AFS'), and by controlling the volatility of the EVE, in each case in a manner consistent with safety and soundness principles and risk appetite.
- Market risk also arises from fluctuations in the value of the European Bank Investment Portfolio, and mark-to-market ('MTM') changes in securities held as Available-For-Sale ('AFS') affect the European Bank's capital position through Other Comprehensive Income ('OCI'), and;
- Pension risk in the European Bank arises from the defined benefit pension plans offer to the employees. Defined benefit plans constitute a risk because the European Bank must compensate any shortfall in the fund's guaranteed pensionable amount. Only the Belgium and German plans may result in a liability for the European Bank. Volatility in the plans' assets relative to its liabilities affects the European Bank's OCI and, therefore, capital position.

10.1 Market risk management framework

The European Bank undertakes market risk for the trading book within the boundaries of the Risk Appetite approved by the Board of Directors and consistently with BNY’s Risk Appetite as approved by the Board of Directors of The Bank of New York Mellon Corporation.

The European Bank manages market risk using a “three lines of defence” approach (i.e. by business units, Corporate Treasury within the first line of defence, by Treasury and Market Risk team in the second line of defence and by Internal Audit).

European Bank personnel engaging in market risk-taking or exposure management activities must be explicitly authorised or mandated. Treasury risk and Market risk limits are set consistent with the European Bank’s Risk Appetite and are jointly managed by the business units undertaking the risk and the Market and Treasury Risk function (respectively, the First and Second lines of defence).

Market risk exposure is measured, monitored and analysed using both quantitative and qualitative methods by the Treasury function and Market and Treasury Risk function. The European Bank measures, monitors, and analyses market risk in a manner consistent with applicable law, regulations, and supervisory guidance.

The control framework elements addressing market risk limits include the following actions by the Treasury function and the Market and Treasury Risk Management function:

- Monitoring of utilization of market risk limits on a daily basis;
- Reporting of limit utilization and limit breaches;
- Coordinating with business data providers to ensure the completeness and accuracy of data that is the basis for market and treasury risk data;
- Periodic (at least annual) limit reviews;
- Challenge and review of the first line of defence market risk control framework.

In line with BNY Policy, the European Bank maintains a structure of limits to ensure positions that exceed certain predetermined levels receive prompt management attention. The limit structure envisages Board Limits (i.e. risk appetite limits), limits set at Chief Risk Officer ('CRO') level and other limits set at managerial level.

The European Bank Market and Treasury Risk Management function provides:

- Independent review, support and oversight for all initiatives relating to aspects of market risk, including IRRBB and CSRBB.
- Market risk identification, independent risk oversight of assumptions, exposures, limits setting and compliance including escalation of non-compliance with policy requirements.

The current market risk limit scheme set within this framework in respect of the European Bank is comprehensive and sets controls on the level of risk the European Bank is willing to assume for its Trading and Banking Book activities (e.g. the level of IRRBB and CSRBB permitted in the European Bank’s Treasury activities).

Market and Treasury Risk functions (respectively for Trading Book and Banking Book Market risks) monitor limit utilisation and breaches which, depending on the level and type of limit that is breached, are escalated and notified to the Board, the ExCo, CRO, ALCO and to Senior Risk Management and Business Management levels in the organizational hierarchy.

**Table 28: EU MR1 Market risk under the standardised approach**

This table shows the components of the risk-weighted assets for market risk using the standardised approach. The European Bank did not have any Options as at 31 December 2025.

At 31 December 2025 (€m)	RWEAs
<b>Outright products</b>	
1 Interest rate risk (general and specific)	37
2 Equity risk (general and specific)	—
3 Foreign exchange risk	85
4 Commodity risk	—
<b>Options</b>	
5 Simplified approach	—
6 Delta-plus approach	—
7 Scenario approach	—
8 Securitisation (specific risk)	—
<b>9 Total</b>	<b>122</b>

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

The European Bank is expected to transition the calculation of its market risk to the new Alternative Standardised Approach framework once the requirement becomes binding in 2027. Market risk calculations under this new framework are reported but are not required to be disclosed presently.

### 10.2 Trading portfolios

The principal tools used to measure and control market risk, within BNY's trading portfolios are VaR and Stressed VaR. The Value at Risk ('VaR') of a trading portfolio is the maximum estimated loss that can arise with a specified probability (confidence level) in the portfolio over a specified time-period (holding period). The VaR model is filtered historical simulation ('FHS') based. It takes market data changes from the previous 1000 trading days and combine them with calibrated Generalised Autoregressive Conditional Heteroscedasticity ('GARCH') process, to model a wide range of plausible future scenarios for market price movements. Correlations between risk factors are not explicitly modelled by the FHS methodology, but rather, are implicitly established as an outcome of the independent modelling of the factors. The Group VaR model assumes a 99% confidence level and a 1-day holding period. The results of the VaR calculation are reported in the Groups base currency of US Dollars. The Stressed VaR model follows the simple historical simulation approach with the same 99% confidence level and a 1-day holding period, but takes into account a 250 days long stress period deemed to be the most severe for the entire holding company. The choice of the stress period is reviewed on a monthly basis.

BNY's VaR models are subject to regular validation and periodic review by the Model Risk Management Group and Market Risk Modelling to ensure that they continue to perform as expected and that assumptions used in model development are still appropriate. Ongoing monitoring and independent challenge are conducted via the Risk Quantification Review Group, which acts as the main governance body for performance monitoring and oversight of the VaR methodology. As part of the validation process, the potential weaknesses of the models are analysed using statistical techniques, such as back testing and p-value analysis.

The Group establishes VaR limits to manage the size of our overall market exposure. The structure of VaR limits is subject to review and approval by the appropriate executive committee. VaR and Stressed VaR limits are allocated to trading portfolios. Exposures and limit utilisations are monitored daily and reported to both Group Market Risk and the European Bank's senior management. Limit compliance report of the trading book activity is provided to the European Bank's Executive Committee monthly and quarterly to the European Bank Board.

As of 31 December 2025, Trading-business maintained positions only in cross-currency spots, forwards, swaps and NDFs, all permitted under the applicable Trading Mandate. The following is a summary of the VaR and Stressed VaR position of the European Bank's trading portfolios as at 31 December 2025:

USD millions	31-Dec-25	31-Dec-24
Value at Risk	0.009	0.013
Stressed Value at Risk	0.196	0.049

### 10.3 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Hedging strategies are used to ensure positions are maintained within established limits. In addition, the European Bank applies a monthly sell-off process in order to reduce foreign exchange exposure generated by the activity of the bank. This is done through foreign exchange from the currency into the base/functional currency of the entity.

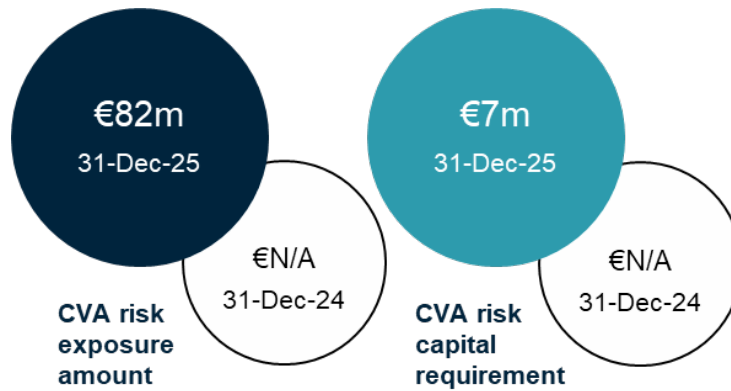
The European Bank is entering into FX Forwards for "economic hedge" purposes. So, net exposures after economic hedging are not significant.

The European Bank also manages its liquidity by currency and ensures that the net position in each currency does not exceed internal limits.

### 10.4 Regulatory and Economic Capital requirements

Economic capital requirement for market risk, which covers not only regulatory market risk but also market risk in the banking book other than FX currency risk (e.g. credit spread risk, interest rate of the banking book, and pension risk) resulted in an (unaudited) amount of €755 million (2024: €926 million), versus the Pillar 1 calculation of €10 million (2024: €20 million).

## 11 Article 445a CRR III - CVA risk



Note: The disclosure of data for previous periods is not required where data is disclosed for the first time, in accordance with article 26(5) of Regulation (EU) 2024/3172. Under CRR III, CVA risk is calculated under the reduced basic approach. CVA risk under CRR II was calculated under the standardised method.

Credit Valuation Adjustment ('CVA') is the risk of loss arising from the potential deterioration in the creditworthiness of a counterparty in a financial transaction. It reflects the market value of counterparty credit risk and represents an adjustment to the fair value of derivative instruments to account for the possibility of counterparty default.

CVA may arise from changes in the credit spread of a counterparty, deterioration in their financial condition, or broader market factors that affect perceived creditworthiness. It is influenced by the exposure to the counterparty, the likelihood of default, and the expected recovery in the event of default. CVA is a key component of counterparty credit risk management and is typically calculated using models that incorporate market-implied probabilities of default and potential future exposures.

### 11.1 CVA risk management framework

CVA market risk is identified by measuring the sensitivity of the firm's CVA exposure to non-credit market risk factors, e.g. interest rates and foreign exchange rates, across its FX and OTC derivatives portfolios. These sensitivities are assessed at the BNY group level and rebalanced daily to detect any material exposures resulting from trading activity.

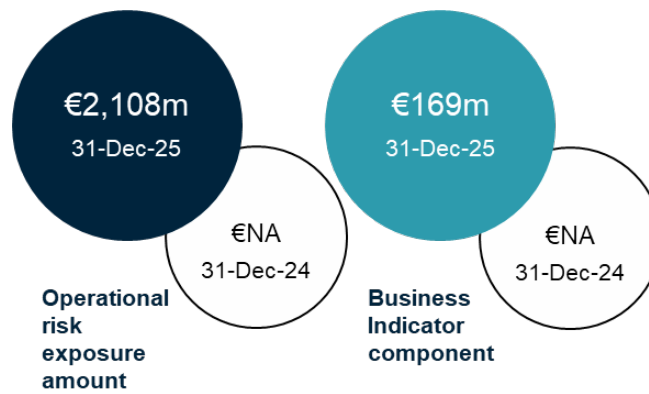
CVA market risk is monitored daily by Markets Risk Management and Finance Control using pre-defined sensitivity limits and daily P&L trend reports on a BNY group level. These limits are jointly determined by the Markets Derivatives Front Office and Markets Risk Management and are documented in the trading mandate. Any breaches or unexpected results are reviewed in a weekly risk forum, where remediation actions are agreed upon. If consensus is not reached, issues are escalated to senior risk leadership. The European Bank's CVA exposure as 31 December 2025 is limited to €7 million of own funds requirements as stated in Table 31.

The European Bank utilises the Reduced Basic Approach to manage and report its CVA risk. Consequently, CVA risk is not hedged at the European Bank. As a result, table EU CVA2 contains no disclosable data and has therefore not been disclosed.

**Table 29: EU CVA1 Credit valuation adjustment risk under the Reduced Basic Approach (R-BA)**

At 31 December 2025 (€m)	a	b
	Components of Own Funds Requirements	Own funds requirements
1 Aggregation of systematic components of CVA risk	15	
2 Aggregation of idiosyncratic components of CVA risk	7	
3 <b>Total</b>		<b>7</b>

## 12 Article 446 CRR III - Operational risk management



Note: The disclosure of data for previous periods is not required where data is disclosed for the first time, in accordance with article 26(5) of Regulation (EU) 2024/3172. The prior period for Operational Risk was disclosed under the Standardised Method applicable under the CRR II framework.

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events (including legal risk but excluding strategic and reputational risk).

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.

Given the European Bank’s role as a major custodian, processing and fiduciary service provider, the European Bank considers that operational risk is an important risk.

### 12.1 Operational risk management objectives and policies

The European Bank leverages the BNY Operational Risk Management Framework ('ORMF'). This is highlighted below.

Figure 3: Operational Risk Management Framework



The 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, well-defined policies, procedures and reporting and suitable tools for reporting and monitoring to effectively identify, manage, mitigate, monitor and report the risks in an organised way to the appropriate governance bodies.

## 12.2 Structure, Organisation and Interaction

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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.

European Bank Risk teams with a role in the overall risk management framework are mainly the Chief Risk Officer ('CRO'), the Legal Entity Risk Officer (acting as Head of European Bank Enterprise Risk) and European Bank head of Operational and Technology Risk

The European Bank Operational Risk team is led by the Head of the European Bank Operational and Technology Risk who is appointed by the European Bank CRO to cover Head Office and Branch levels. The Head of Operational and Technology Risk is assisted by Operational Risk Managers in the head office and in the branches. The Head of the European Bank Operational and Technology Risk draws the authority from the European Bank CRO, with appropriate delegated authority for Operational Risk Management matters (including Technology Risk Management, Data Risk Management, Outsourcing Risk Management and Resiliency Risk).

Legal Entity (Branch) Risk Officers ('LERO's) are appointed at the level of branches. They support the implementation of BNY and the European Bank Risk Management Framework in the European Bank Branch for which they have oversight responsibility in a proportionate manner.

## 12.3 Measurement and management

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The European Bank uses the ORMF to capture, analyse and monitor its Operational Risks. The tools used to manage the Operational Risks of the business are mandated through individual Operational Risk Policies and are prescribed through the enterprise Operational Risk programme, assessment systems and related processes.

The Corporate Operational Risk Policies are reviewed and enhanced on an ongoing basis, and adopted by all businesses / Legal Entities including the European Bank. Operational Risk Officers oversee the activities undertaken in each of the business lines, with oversight from a Legal Entity point of view.

The ORMF relies on a culture of risk awareness, a clear governance structure and on Operational Risk policies and procedures, which define the roles and responsibilities of the First, Second and Third line of Defence. These policies and procedures complement each other to ensure that the operational risks of the business are effectively identified, managed, mitigated (where possible) and reported to the appropriate governance committees on a regular basis.

### **Risk appetite**

BNY defines risk appetite as the aggregate level of risk a company is willing to assume after considering topics such as its strategic business objectives and business plan, the major risks facing the European Bank and its risk capacity. The European Bank has, in line with the Enterprise risk policy for risk appetite, set a risk appetite statement which recognises the inherent nature of Operational risk and the reliance on the ORMF to mitigate it.

### **Risk control-self assessments ('RCSA')**

A comprehensive process for Business Groups, Corporate Staff, and Platforms to identify risks associated with key business processes, identifying and assessing the quality of controls in place to mitigate risk and assigning accountability for the effectiveness of those controls in place to mitigate that risk.

### **Operational risk events ('ORE')**

A standard for the capture, notification and reporting of Operational Risk Events. The collection of internal loss data provides information for assessing the European Bank's exposure to operational risk. Analysis of loss events provides insight into the root cause and information on whether a control weakness is isolated or potentially more systemic.

OREs are mapped to Basel operational risk event categories and the impact to the European Bank is identified. Information on operational risk event losses or gains exceeding \$10,000 (USD) are analysed to understand root cause(s) and to identify improvements needed in order to reduce the recurrence and/or magnitude of future events.

### **Operational Risk Limits ('ORL')**

Operational Risk Limits are metrics used by the First Line of defence and designed to monitor activities which could cause financial loss or reputation damage. Periodic and consistent monitoring of limits ensures that deviations from predetermined standards can be identified.

### Line Of Business High Level Assessment ('HLA')

The High Level Assessment is a qualitative assessment at the Business/Corporate Staff Group level. It is a consolidated review of detailed RCSA data that analyses the risk profile of the business, the quality of controls in place to mitigate risks and internal and external factors impacting the business.

The HLA is designed to ensure that Business/Corporate Staff and Risk Management identify, review and discuss the risks of the business including material operational risks on a regular basis. Being a Business Line exercise, the HLA does not provide specific information on legal entities. However, this is a useful source of information for the LERO who needs to form a view on the risks the Business Lines operating in the European Bank have identified.

### Legal Entity Risk Identification ('LE Risk ID')

Material risk identification for the Legal Entity is undertaken through the LE Risk ID process. The LE Risk ID is a qualitative assessment performed separately for the legal entity and utilises the applicable business level Risk ID as a key input to the assessment. The LE Risk ID is designed to ensure that the legal entities and Risk Management identify, review and discuss the identified risks on a regular basis. It enables current and emerging risks to be identified, discussed, addressed and elevated as appropriate.

### Operational risk scenario analysis ('ORSA')

Operational risk scenario analysis is used by the European Bank to identify and assess plausible, high impact, low probability Operational risk loss events using a combination of the Operational risk data and expert management judgement. Scenario analysis provides a broad perspective of risks faced globally based on the expertise of senior managers and risk managers and supports an understanding of how significant operational losses could occur. Scenario analysis also supports the calculation of Operational risk capital by using the output of scenario analysis (frequencies and severities) as an input for Operational Risk economic capital modelling.

## 12.4 Monitoring and reporting

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The European Bank utilises global platforms for monitoring and reporting operational risk within dedicated modules for RCSA, HLA, OREs, ORLs.

Monitoring and reporting of operational risks occur within the business, Legal Entity and EMEA-region risk oversight functions, as well as decision-making forums such as business risk committees and the RMC.

Regional Committees such as the International Senior Risk and Control Committee also monitor and incorporate the material risks of the European Bank in forming its regional risk assessment.

## 12.5 Mitigation and hedging

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### Policies and procedures

The European Bank utilises comprehensive policies and procedures designed to provide a sound operational environment. The Corporate Operational Risk Policies are reviewed and enhanced on an ongoing basis, and adopted by all businesses/Legal Entities including the European Bank.

### Organisation and governance

Within the European Bank, business risk partners oversee the activities undertaken in each of the business lines, with oversight from a Legal Entity point of view through the LERO. Besides business risk partners and LEROs other internal functions also ensure that processes are in place to support the sound operational risk management of the business, notably:

### Technology risk management ('TRM')

TRM is a Second Line of Defence group that provides oversight and challenge of the 1<sup>st</sup> line's management of technology risk. TRM works in partnership with BNY Businesses and Corporate Staff to help protect the European Bank and its clients from cyber and information risks.

### Business continuity planning ('BCP')

Within the Enterprise Resiliency Office ('ERO'), BNY maintains a formal enterprise-wide Incident and Crisis Management Program ('ERO-ICM Program') and Business Continuity Program ('ERO-BC Program'). The ERO-ICM Program is responsible for managing the response to significant disruptions to business services and/or operational resiliency. In partnership with ERO-ICM, the ERO-BC Program is responsible for the design and facilitation of the Business Continuity Lifecycle, which enables Businesses, including those of the European Bank, to establish a portfolio of validated recovery strategies - which may be used in response to an incident. Businesses manage the maintenance and execution of the Business Continuity Plans through the staff in key resiliency roles

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including Business and Operational Resiliency Leads, Resiliency Coordinators and Resiliency Administrators, and escalates response actions and priorities to ERO-ICM during an incident or crisis response.

ERO-BC enables continuous improvements to the ERO-BC Program by performing Quality Assurance, Location Risk assessments, Third Party Risk assessments, and publishing BC training, and conducting lessons learned reviews.

### Third party governance

The European Bank uses outsourcing to support its daily business activities. The European Bank's Board of Directors retains the ultimate responsibility for any outsourcing arrangement and accordingly, ensures the establishment and maintenance of an adequate outsourcing framework covering all key components of the outsourcing life-cycle. To ensure appropriate oversight of outsourced activities, the Business/Business Partner Groups ensure that all outsourced activities are identified, assessed, approved and appropriately managed throughout the life of the outsourced relationship.

Decisions to control, transfer, accept or avoid risks are conducted through a combination of business and legal entity governance bodies in line with the hybrid organisation structure of BNY.

### Regulatory and compliance risk management

The European Bank Compliance Department is comprised of Compliance Officers based in Brussels, Frankfurt, Amsterdam, Dublin, Luxembourg, Amsterdam, Copenhagen, Wrocław and Milan. The Paris and Madrid Branches have dedicated compliance officers who are based in the head office. Dedicated Money Laundering Reporting Officers ('MLROs') and or AML compliance officers specifically focus on the management of money laundering / terrorist financing risks.

As part of the Second Line of Defence, the compliance department shares a joint responsibility with Legal, HR, Finance and Risk to implement policies as required in order to ensure that European Bank operates within the scope of its license and in compliance with applicable regulatory requirements.

The key responsibilities of the Compliance Department as part of the Second Line of Defence are defined in the Compliance Mission Statement approved by the European Bank Board of Directors.

The Compliance Department is independent from any commercial or operational function of European Bank. The Compliance Department reports into the European Bank Chief Risk Officer and also reports into the European Bank governance bodies.

## 12.6 Capital resource requirement

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As at the reporting date, economic capital requirements for operational risk (using an internal hybrid model) resulted in an amount of €576 million (2024: €616 million), versus the Pillar 1 calculation of €169 million (2024: €132 million). Restitution risk economic capital resulted in an amount of €304 million (2024: €402 million).

**Table 30: EU OR1 Operational risk losses**

Operational risk loss information is disclosed on a best-endeavours basis, as although a ten-year loss data set is available, elements of the historical data were not originally collected or structured specifically to meet the detailed requirements of the CRR III operational risk framework effective from 1 January 2025 in accordance with Article 446(2).

(€m)	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17	31-Dec-16	Ten-year average
Using €20,000 threshold											
1 Total amount of operational risk losses net of recoveries (no exclusions)	1	2	2	2	3	2	3	3	2	13	3
2 Total number of operational risk losses	17	22	28	13	20	14	17	12	12	13	17
3 Total amount of excluded operational risk losses	—	—	—	—	—	—	—	—	—	—	—
4 Total number of excluded operational risk events	—	—	—	—	—	—	—	—	—	—	—
5 Total amount of operational risk losses net of recoveries and net of excluded losses	1	2	2	2	3	2	3	3	2	13	3
Using €100,000 threshold											
6 Total amount of operational risk losses net of recoveries (no exclusions)	0	1	1	2	2	1	3	2	2	12	3
7 Total number of operational risk losses	4	7	4	3	8	5	4	6	5	4	5
8 Total amount of excluded operational risk losses	—	—	—	—	—	—	—	—	—	—	—
9 Total number of excluded operational risk events	—	—	—	—	—	—	—	—	—	—	—
10 Total amount of operational risk losses net of recoveries and net of excluded losses	0	1	1	2	2	1	3	2	2	12	3
Details of operational risk capital calculation											
11 not applicable											
12 not applicable											
13 not applicable											

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**Table 31: EU OR2 Business Indicator, components and subcomponents**

This table presents the European Bank's operational risk Business Indicator ('BI') and its components in accordance with Article 446(1):

(€m)	a	b	c	d
BI and its subcomponents	31-Dec-25	31-Dec-24	31-Dec-23	Average value
<b>1 Interest, lease and dividend component (ILDC)</b>				<b>327</b>
<b>EU 1 ILDC related to the individual institution/consolidated Group (excluding entities considered by Article 314(3))</b>				<b>327</b>
1a Interest and lease income	1,325	1,393	1,032	1,250
1b Interest and lease expense	836	1,112	821	923
1c Total assets/Asset component	47,622	42,510	38,215	42,782
1d Dividend income/ dividend component	—	—	—	—
<b>2 Services component (SC)</b>				<b>910</b>
2a Fee and commission income	909	850	882	880
2b Fee and commission expense	313	297	329	313
2c Other operating income	60	10	18	29
2d Other operating expense	1	1	2	1
<b>3 Financial component (FC)</b>				<b>87</b>
3a Net profit or loss applicable to trading book (TB)	43	76	77	65
3b Net profit or loss applicable to banking book (BB)	(22)	23	22	22
EU 3c Approach followed to determine the TB/BB boundary (PBA or accounting approach)				Accounting approach
<b>4 Business Indicator (BI)</b>				<b>1,324</b>
<b>5 Business indicator component (BIC)</b>				<b>169</b>

**Disclosure on the BI:**

	a
6a BI gross of excluded divested activities	1,324
6b Reduction in BI due to excluded divested activities	—
EU 6c Impact in BI of mergers/acquisitions	—

**Table 32: EU OR3 Operational risk own funds requirements and risk exposure amounts**

This table presents the European Bank's operational risk own funds requirements and risk exposure amounts in accordance with Article 446(1):

At 31 December 2025	a
(€m)	
1 Business Indicator Component (BIC)	169
EU 1 Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)	—
2 Not applicable	
3 Minimum Required Operational Risk Own Funds Requirements (OROF)	169
4 Operational Risk Exposure Amounts (REA)	2,108

## 13 Article 448 CRR III - Exposures to interest rate risk on positions not held in the trading book

Interest Rate Risk in the Banking Book ('IRRBB'), refers to the potential impact on the European Bank's financial condition (economic value of equity and net interest income) due to adverse movements in market interest rates. IRRBB arises from differences in the maturity or the timing of rate changes for banking book assets, liabilities and off-balance sheet items, as well as from changes in the slope of the yield curve, imperfect correlations in the adjustment of rates earned and paid on different instruments, and interest rate-related options embedded in bank products.

To effectively manage and assess IRRBB, the European Bank considers various factors, such as the composition and characteristics of their banking book, interest rate scenarios, and the potential impact on their financial performance, balance sheet, and regulatory capital base. By adopting a comprehensive approach to IRRBB management, banks can ensure their resilience to interest rate fluctuations and maintain their financial stability. The European Bank uses complementary features of the IRRBB measures to capture the complex nature of IRRBB over the short-term and long-term time horizons.

**Net Interest Income Perspective:** The Net Interest Income perspective focuses on the impact of interest rate changes on a firm's near term income. Net Interest Income ('NII') is the difference between total interest income and total interest expense. This is the traditional approach to interest rate risk assessment taken by many firms. Variation in NII is an important focal point for interest rate risk analysis because reduced NII or outright losses can threaten the financial stability of an institution by undermining its capital adequacy and by reducing market confidence. The European Bank also includes FX swap revenues for banking book currency positions, in the assessment of risk to net interest income.

**Economic Value Perspective:** The economic value perspective represents an assessment of the present value of expected net cash flows, discounted to reflect market rates. As such, variation in market interest rates can affect the economic value of a firm's assets, liabilities, and Off-Balance Sheet positions. Thus, the sensitivity of a firm's economic value to fluctuations in interest rates is a particularly important consideration of shareholders, management, and supervisors alike. The economic value perspective provides a more comprehensive view of the potential long-term effects of changes in interest rates than is offered by the Net Interest Income perspective.

### 13.1 Identification and measurements

The European Bank maintains IRRBB measurement processes and systems to assess exposures relative to established risk tolerances. The European Bank's systems are commensurate with its size and complexity. Various models are used to facilitate the identification and measurement of IRRBB. When using models for these purposes, procedures are documented to confirm the understanding of underlying analytics, assumptions, and methodologies, to ensure that such systems and processes are incorporated appropriately in both the long-term and short-term management of IRRBB exposures. All models have been independently validated and approved for use by the Model Risk Management Group, and are periodically revalidated in accordance with a schedule established.

The European Bank uses both NII and economic value-based measurement methods to assess its IRRBB profile. The IRRBB measurement system is designed to be sufficiently robust to capture all material on and off-balance sheet positions and incorporate a standard set of interest rate stress scenarios for ongoing internal management and to identify and quantify the IRRBB exposure. IRRBB modelling includes behavioural models which capture customer behaviours or other optionality in banking book products.

**NII Sensitivity metrics** - the change in NII is a measure of the variance in forecasted NII from a base scenario across various interest rate hypothetical scenarios over pre-defined time periods e.g. one year and up to 3 years. NII is modelled over future time periods and is impacted, in aggregate, by current position run-off and forecasted balances including off-balance sheet items. Forecasted NII is dependent upon forecast assumptions including projected interest rates, balance sheet changes, market spreads, deposit rate sensitivity, and prepayment behaviour of loans and securities. These assumptions are developed on the basis of historical analysis and management's expectations of future business activity and are subject to a robust governance process.

**Economic Value of Equity ('EVE') Sensitivity metric** - This is a Net Present Value ('NPV') based measure of the cash flows of the balance sheet. EVE sensitivity is a spot metric which measures the variance in economic value of equity from a Base Case Scenario across various hypothetical scenarios. It provides a spot contractual run-off view, based on scheduled and unscheduled payments and behaviourally modelled deposit attrition. It assumes no new business onboarding and no reinvestment of maturing positions. EVE is calculated by aggregating discounted future cash flows over the life of each individual balance sheet position (with embedded optionality adequately captured).

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**Basis Risk metrics** - These metrics are part of the NII and EVE measurement approaches and help measure the European Bank's exposure to basis risk mismatch and sensitivity of its net interest margin to basis risk.

**Capital Sensitivity metrics** - The degree to which changes in interest rates could impact the capital position of the entity are calculated and monitored as part of the bank's holistic IRRBB framework. The changes in EVE are produced on a monthly basis and assessed relative to capital while mark-to-market movement on the investment portfolio is monitored daily. Additionally, Value at Risk ('VaR') is used to determine IRRBB Economic Capital requirements.

EVE and NII Supervisory shock scenarios are part of the IRRBB limit framework.

### 13.2 Scenarios and risks tested

Interest rates can generally be decomposed into two components: the risk-free rate and a credit spread. IRRBB includes exposures associated with fluctuations in the risk-free rate as well as the credit spread.

A credit spread is the difference in yield between a risk free security (debt) and a debt security with the same maturity but of lesser credit quality.

Corporate Treasury simulates the below set of rate shock scenarios designed to capture both the short-term and long-term effect of various IRRBB risks, including risks idiosyncratic to the European Bank's business model, and risks inherent in planned business strategies impacting the balance sheet.

Due to rounding there may be immaterial variations between Pillar 3 disclosed in millions and supervisory reporting submitted in units.

Simulations include the scenarios and selected descriptions as follows:

Scenarios	Risk Type <sup>1</sup>	NII Sensitivity <sup>2</sup>	EVE Sensitivity
Base (Most expected interest rate scenario)	Level of interest Rates	X	X
Parallel Rate Shocks: ± 100bps, ± 200bps, ± 300bps	Yield Curve Risk, Price Risk (Gap Risk)	X	X
Main rates: ± 10bps over risk free rates	Basis Risk	X	
Main rates: ± 25bps over risk free rates	Basis Risk		X
USD Rates ± 100bps (all other currencies unchanged)		X	X
EUR Rates ± 100bps (all other currencies unchanged)	Currency Risk (Gap Risk)	X	X
GBP Rates ± 100bps (all other currencies unchanged)		X	X
± 100bps, Steepener and Flattener	Yield Curve Risk, Price Risk (Gap Risk)		X
Gradual Ramp scenarios	Yield Curve Risk, Price Risk (Gap Risk)	X	
BCBS Steepener			X
BCBS Flattener			X
BCBS Short Rate Up	Yield Curve Risk, Price Risk (Gap Risk)		X
BCBS Short Rate Down			X
BCBS Up		X	X
BCBS Down		X	X
<b>Balance Sheet</b>			
Dynamic (New Business Activity Included)		X	
Static (Current Position Maintained Across Forecast Horizon)		X	
Run-off Balance Sheet Assumption			X

<sup>1</sup> Repricing Risk, Option Risk and Client / Product Behaviour Risk are embedded in all the listed scenarios.

<sup>2</sup> NII Sensitivity IRRBB Board Risk Appetite Limits are based on a 12 month forecast horizon.

Term	Definition
Parallel Rate Shocks	All term-points on every modelled interest rate curve and indexes are increased or decreased simultaneously by the same amount.
Ramp Rate Shocks	All term-points on every modelled interest rate curve and indexes are increased or decreased in equal quarterly increments over the first 12 months of the forecast. There are several scenarios (increments) used to enable more in-depth analysis of potential risks and remediation plans for those risks.
Main Bank rates ± 10bps or +/-25 bps over risk free rates,	Main Central Bank and Overnight risk free rates modelled under an up and down move across EUR, GBP and USD while other rates remain constant.
USD, EUR, GBP Rates ±100bp, All Other Currency Rates Unchanged	All term-points on every modelled CCY interest rate curve and indexes are increased or decreased simultaneously by 100 basis points.

## 13.3 IRRBB management and hedging

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The client's deposits and their related implicit maturity leave the European Bank with IRRBB exposures on its balance sheet, which is referred to as the structural balance sheet.

The European Bank invests the cash provided by client deposits to manage the structural balance sheet. Through investments in securities and money market instruments, the European Bank is able to manage and hedge its IRRBB exposures whilst maintaining a source of contingent liquidity. The European Bank can further change its interest rate profile and manage asset and liabilities duration gap through purchases or sales of fixed rate assets and / or the use of derivatives.

**Derivatives** - The European Bank may use derivative instruments, interest rate swaps, to mitigate IRRBB exposures and foreign exchange derivatives to optimise cash management. The European Bank shall maintain effective processes for managing IRRBB, commensurate with its activities and level of risk approved by senior management and the Board. The European Bank's hedging strategies are designed to manage income and EVE volatility.

The European Bank's Corporate Treasury Execution desk may use approved derivative instruments to manage IRRBB. The use of derivatives for these purposes may include management of NII and EVE risk sensitivity, and management of the securities investment portfolio.

## 13.4 Risk management and mitigation techniques

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Given the structural nature of IRRBB, the European Bank maintains a control framework to ensure that positions that exceed calibrated thresholds receive prompt management attention. This framework, comprised of IRRBB Early Warning Thresholds ('EWT') and Board and ExCo Risk Appetite limits, permits management to identify IRRBB exposures, initiate discussions about risk and take appropriate actions. When designing limit and EWTs, the European Bank establishes thresholds that are commensurate with the capital level and risk profile of the entity. The European Bank's IRRBB metrics are produced on a monthly basis due to the relatively stable nature of banking book risk profile that is primarily driven by the customer deposits and securities portfolio.

The European Bank's Board and ExCo (or the Risk Committee of the Board) shall receive IRRBB reporting in case of any significant concerns or breaches to Board established IRRBB risk appetite limits. ExCo and the European Bank's ALCO is provided with the latest IRRBB report covering the previous month end IRRBB metrics reported against limits and EWTs.

IRRBB monitoring and reporting is designed to facilitate clear understanding of the European Bank's IRRBB risk tolerance and approach to managing the effect of IRRBB on earnings and capital adequacy. IRRBB reports provide aggregate information and supporting detail to enable consumers of information to assess the sensitivity of the European Bank to changes in market rates and important assumptions underlying the metrics used. Exceeding any Board and ExCo risk appetite limit requires the European Bank to undertake corrective action designed to bring the metric into compliance, and is automatically a reportable item to the Board (or a committee of the Board), the ExCo and the ALCO.

If IRRBB exposure breaches or is expected to breach limits or an EWT, the European Bank's Treasurer - supported by Corporate Treasury and working with the businesses and Treasury Risk - will coordinate remediation actions; these are discretionary for EWTs and required for Board Risk Appetite Limit breaches. In such cases, remediation strategies shall be developed and communicated to ExCo or/and the Board depending on limits/EWTs levels. Remediation may include balance sheet alteration, hedging, or both.

Movements in credit spreads impact the economic value of the investment portfolio held by the European Bank and accounted under the banking book category. Credit Spread Risk of the Banking Book Policy ('CSRBB') monitoring and reporting has been implemented with limits based on stress credit spread shocks are set at the Board of Director and Executive Committee's levels. As of 31 December 2025 there are no other material asset or liabilities subject to banking book credit spread risk other than securities held within the investment portfolio.

Credit spread risk on the investment portfolio is monitored and reported on a daily basis with dedicated limits set in terms of credit spread sensitivity to 1 basis point and weekly stress test shocks assuming a set of different and severe scenarios.

Furthermore, mark to market limits are in place either on the investment portfolio securities classified within fair value through other comprehensive income and on investment portfolio securities classified at amortised cost to monitor, on a daily basis, investment portfolio potential unrealised losses.

**Table 33: EU IRRBB1 Interest rate risks of non-trading book activities**

This table shows the economic value of equity and net interest income sensitivities for the European Bank by interest scenario as well as the average and longest repricing maturity of non-maturity deposits.

Supervisory shock scenarios (€000s)	Changes of the economic value of equity		Changes of the net interest income	
	31-Dec-25	31-Dec-24	31-Dec-25	31-Dec-24
1 Parallel up	(125,642)	(153,638)	(34,398)	(29,492)
2 Parallel down	(41,905)	(148,334)	(44,771)	(45,152)
3 Steepener	59,327	59,222		
4 Flattener	(145,970)	(272,826)		
5 Short rates up	(146,630)	(277,386)		
6 Short rates down	86,957	3,939		

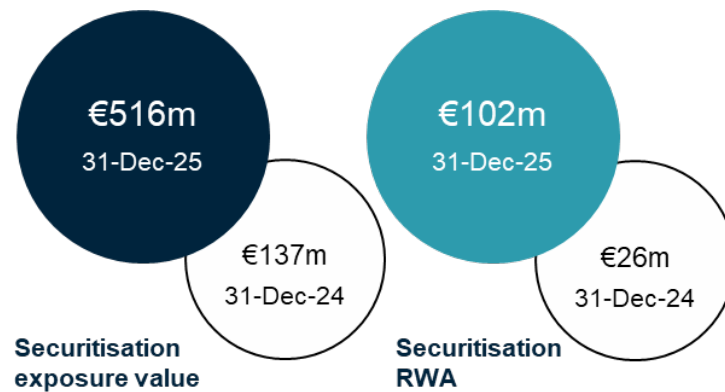
Modelling of deposit cashflows under different interest rate scenarios are reflective of internal calibration and historical data. Deposit cash flows are a function of repricing characteristics, interest rate and customer run off assumption.

The average repricing tenor of non-maturity deposits is 2 years with longest repricing maturity at 10 years.

The worst-case EVE sensitivity has reduced year on year and reflects sensitivity under the short rates up scenario which is the same scenario as previous year. The reduction in the EVE sensitivity primarily reflects a reduction in the duration mismatch between assets and liabilities.

The worst-case NII sensitivity has reduced year on year and reflects sensitivity under the parallel down scenario which is the same scenario as previous year. NII sensitivity reduction reflects the latest deposit beta assumptions and balance sheet composition. Modelling assumptions are updated on a regular basis reflecting the market environment, changes in customer behaviour and risk management activities

## 14 Article 449 CRR III - Exposures to securitisation positions



A securitisation is a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranching, having both of the following characteristics:

- Payments in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures; and,
- Subordination of tranches determines the distribution of losses during the on-going life of the transaction or scheme.

The European Bank accounts for securitisation investments in accordance with recognition, measurement and impairment standards set in IFRS 9, and follows the European Bank's multi-GAAP general accounting policies for investment securities. The major difference between a securitisation compared to a medium term loan note ('MTN') is linked to the repayment structure.

The daily amortisation is similar for both securities. However, for a securitisation the principal is amortised as well, while an MTN would see amortisation on the premium only. The principal of a securitisation would reduce on coupon date.

### 14.1 Securitisation risk management framework

The European Bank invests in securitised products, within tightly defined limits, to expand and diversify its securities portfolio. The use of securitised investments is also expected to have a beneficial influence on profitability. The European Bank acts only as investor in traditional Simple, Transparent and Standardised ('STS') and non-STS securitisation instruments, which means a securitisation involving the economic transfer of the exposures being securitised, it did not invest in re-securitisation assets at the reporting date. For completeness, the European Bank does not securitise assets, only invests in senior tranches of residential mortgage backed securities ('RMBS') and senior tranches of collateralized loan obligations ('CLO'). These investments are within the list of approved asset types and governed by a dedicated risk framework, which is applied for securitised asset. Equally, the European Bank does not utilise any Securitisation Special Purpose Entities ('SSPE') in its investments.

The European Bank has pre-trade risk management controls in place. Due diligence is performed for each investment, considering the EU Securitizations Regulation' requirements for institutional investors. Investments are checked against a limit framework considering conservative criteria, including low concentration within an issue, list of approved issuers / CLO managers, low issuer concentration, investments in countries with a perceived strong mortgage market, and liquidity levels ,limits on market risk exposures. Further, pre-investment stress-test scenarios per structure product sector have been established. Treasury is allowed to invest only in securities with no resultant principal write-downs applying the stressed prepayment, default and loss severity rates. This assessment demonstrates the bonds' credit strength and endorses the appropriate purchase of the security in the European Bank's Investment Portfolio. The investments' collateral pool performances are monitored on regular basis.

External credit agencies, Moody's Investors Service, Fitch, and Standard & Poor's are used to assess the credit ratings of all its securitised investments which in turn drive the risk-weighted exposure calculations under the external-ratings based approach.

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

**Table 34: EU-SEC1 Securitisation exposures in the non-trading book**

This table shows the European Bank's securitisation exposures in the banking book. The European Bank does not originate or sponsor securitisation assets and acts solely as an investor in third party retail securitisations (residential mortgages) and wholesale loans to corporates, and is subject to the risks inherent to such an investment type.

At 31 December 2025 (€m)	Institution acts as originator						Institution acts as sponsor				Institution acts as investor						
	Traditional		Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total				
	STS of which SRT	Non-STS of which SRT	STS of which SRT	Non-STS of which SRT		STS	Non-STS			STS	Non-STS						
<b>1 Total exposures</b>	—	—	—	—	—	—	—	—	—	—	—	—	—	112	404	—	516
<b>2 Retail</b>	—	—	—	—	—	—	—	—	—	—	—	—	—	112	—	—	112
3 Residential mortgage	—	—	—	—	—	—	—	—	—	—	—	—	—	112	—	—	112
4 credit card	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5 other retail exposures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6 re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>7 Wholesale (total)</b>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	404	—	404
8 loans to corporates	—	—	—	—	—	—	—	—	—	—	—	—	—	—	404	—	404
9 commercial mortgage	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10 lease and receivables	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11 other wholesale	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12 re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Note: There is no significant risk transfer in the European Bank's securitisation assets as investor.

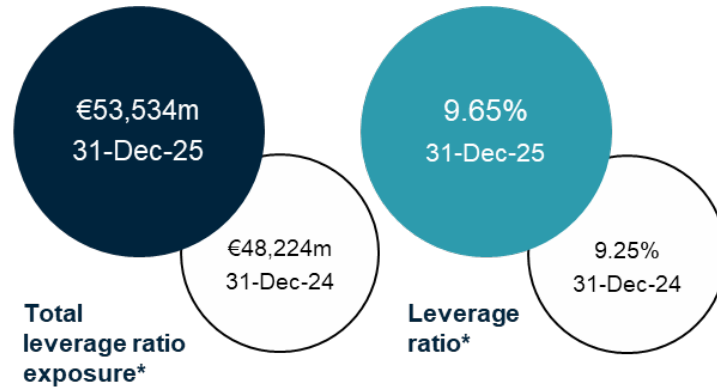
The European Bank's securitisation exposures result from investment in RMBS's originating from the Netherlands and EU, and UK CLOs. All exposures meet a credit quality score of 1.

**Table 35: EU-SEC4 Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor**

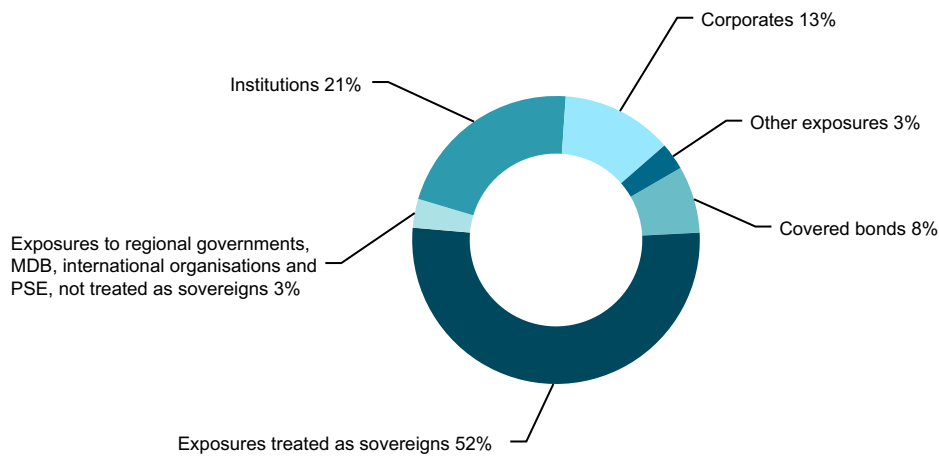
This table shows the securitisation exposures in the banking book, as well as the regulatory approaches used to determine exposure values, risk weighted assets and the associated capital requirements.

At 31 December 2025 (€m)	Exposure values (by RW bands/deductions)				Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap				
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC- IRBA	SEC- ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC- IRBA	SEC- ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC- IRBA	SEC- ERBA (including IAA)	SEC-SA	1250% RW/ deductions
<b>1 Total exposures</b>	<b>516</b>	—	—	—	—	—	<b>516</b>	—	—	—	<b>102</b>	—	—	—	<b>8</b>	—	—
<b>2 Traditional securitisation</b>	<b>516</b>	—	—	—	—	—	<b>516</b>	—	—	—	<b>102</b>	—	—	—	<b>8</b>	—	—
3 Securitisation	516	—	—	—	—	—	516	—	—	—	102	—	—	—	8	—	—
4 Retail underlying	112	—	—	—	—	—	112	—	—	—	21	—	—	—	2	—	—
5 Of which STS	112	—	—	—	—	—	112	—	—	—	21	—	—	—	2	—	—
6 Wholesale	404	—	—	—	—	—	404	—	—	—	81	—	—	—	6	—	—
7 Of which STS	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8 Re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9 Synthetic securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10 Securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11 Retail underlying	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12 Wholesale	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
13 Re-securitisation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

## 15 Article 451 CRR III - Leverage ratio



### CRR III banking book leverage ratio exposures at 31 December 2025 \*



\* Excluding derivatives, SFTs and exempted exposures.

The leverage ratio is defined as the capital measure (the numerator) divided by the total exposure measure (the denominator), with this ratio expressed as a percentage:

$$\text{Leverage ratio} = \frac{\text{Tier 1 capital}}{\text{Leverage exposure measure}}$$

The leverage ratio is calculated in accordance with the requirements of article 429(1) of CRR III. The capital measure for the leverage ratio is the Tier 1 capital of the risk-based capital framework. Total exposure measure is the sum of the exposure values in accordance with article 429(4) of CRR III, and outlined in table LR2 on the following page.

The European Bank monitors its leverage ratio in accordance with EBA regulatory limits and reports accordingly.

The thresholds for reporting excessive leverage in SREP were exceeded in 2025: securities financing transactions ('SFTs') exposure over the total leverage ratio exposure measure exceeded the 8% threshold, and Derivatives exposure over the total leverage ratio exposure measure remained below 8%. Excessive leverage is also monitored against the risk appetite limit and the early warning threshold of the Leverage ratio.

The European Bank's leverage ratio calculations under the standardised approach as of 31 December 2025 are presented on the following page. The European Bank is required to maintain a minimum leverage ratio of 3.0% of Tier 1 capital relative to its total exposure measure. This ratio is binding on the European Bank.

**Table 36: EU LR1 Summary reconciliation of accounting assets and leverage ratio exposures**

This table shows the European Bank's summary reconciliation of accounting assets and leverage ratio exposures. Cash pooling adjustments primarily relate to €4.5 billion of cash placements and deposits which are subject to netting agreements on the balance sheet but which are grossed for the purposes of calculating the leverage exposure measure. Other adjustments are largely represented by cash variation margin on derivatives of around €0.3 billion.

At 31 December 2025 (€m)	Applicable amount
<b>1 Total assets as per published financial statements</b>	<b>48,918</b>
2 Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	—
3 (Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	—
4 (Adjustment for temporary exemption of exposures to central banks (if applicable))	—
5 (Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	—
6 Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	—
7 Adjustment for eligible cash pooling transactions	4,486
8 Adjustment for derivative financial instruments	389
9 Adjustment for securities financing transactions (SFTs)	18
10 Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	7
11 (Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	(16)
EU-11a (Adjustment for exposures excluded from the total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	—
EU-11b (Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	—
12 Other adjustments	(268)
<b>13 Total exposure measure</b>	<b>53,534</b>

**Table 37: EU LR2 Leverage ratio common disclosure**

CRR leverage ratio exposures (€m)	31-Dec-25	31-Dec-24
<b>On-balance sheet exposures (excluding derivatives and SFTs)</b>		
1 On-balance sheet items (excluding derivatives, SFTs, but including collateral)	44,152	41,152
2 Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	—	—
3 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(251)	(336)
4 (Adjustment for securities received under securities financing transactions that are recognised as an asset)	—	—
5 (General credit risk adjustments to on-balance sheet items)	—	—
6 (Asset amounts deducted in determining Tier 1 capital)	(99)	(96)
<b>7 Total on-balance sheet exposures (excluding derivatives and SFTs)</b>	<b>43,802</b>	<b>40,720</b>
<b>Derivative exposures</b>		
8 Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	64	370
EU-8a Derogation for derivatives: replacement costs contribution under the simplified standardised approach	—	—
9 Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	778	940
EU-9a Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	—	—
EU-9b Exposure determined under Original Exposure Method	—	—
10 (Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	—	—
EU-10a (Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	—	—
EU-10b (Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	—	—
11 Adjusted effective notional amount of written credit derivatives	—	—
12 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	—	—
<b>13 Total derivatives exposures</b>	<b>842</b>	<b>1,310</b>
<b>Securities financing transaction (SFT) exposures</b>		
14 Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	8,878	6,164
15 (Netted amounts of cash payables and cash receivables of gross SFT assets)	(12)	—
16 Counterparty credit risk exposure for SFT assets	17	23
EU-16a Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	—	—
17 Agent transaction exposures	—	—
EU-17a (Exempted CCP leg of client-cleared SFT exposure)	—	—
<b>18 Total securities financing transaction exposures</b>	<b>8,883</b>	<b>6,187</b>
<b>Other off-balance sheet exposures</b>		
19 Off-balance sheet exposures at gross notional amount	34	36
20 (Adjustments for conversion to credit equivalent amounts)	(27)	(29)
21 (General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	—	—
<b>22 Off-balance sheet exposures</b>	<b>7</b>	<b>7</b>

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

CRR leverage ratio exposures (€m)		31-Dec-25	31-Dec-24
<b>Excluded exposures</b>			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	—	—
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	—	—
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	—	—
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	—	—
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	—	—
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	—	—
EU-22g	(Excluded excess collateral deposited at triparty agents)	—	—
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	—	—
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	—	—
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	—	—
EU-22k	(Excluded exposures to shareholders according to Article 429a (1), point (da) CRR)	—	—
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	—	—
<b>EU-22m</b>	<b>(Total exempted exposures)</b>	—	—
<b>Capital and total exposure measure</b>			
<b>23</b>	<b>Tier 1 capital</b>	<b>5,164</b>	<b>4,460</b>
<b>24</b>	<b>Total exposure measure</b>	<b>53,534</b>	<b>48,224</b>
<b>Leverage ratio</b>			
25	Leverage ratio (%)	9.65 %	9.25 %
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	9.65 %	9.25 %
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	9.65 %	9.25 %
26	Regulatory minimum leverage ratio requirement (%)	3.00 %	3.00 %
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	— %	— %
EU-26b	of which: to be made up of CET1 capital	— %	— %
27	Leverage ratio buffer requirement (%)	— %	— %
EU-27a	Overall leverage ratio requirement (%)	3.00 %	3.00 %
<b>Choice on transitional arrangements and relevant exposures</b>			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Full phased-in definition	Full phased-in definition
<b>Disclosure of mean values</b>			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	8,688	5,483
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	8,866	6,164
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	53,356	47,543
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	53,356	47,543
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.68 %	9.38 %
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.68 %	9.38 %

Note: The disclosure of data for previous periods is not required where data is disclosed for the first time, in accordance with article 26(5) of Regulation (EU) 2024/3172.

The leverage ratio has marginally increased relative to the prior period due to growth in the European Bank's Tier 1 capital, alongside a proportionally higher variation in the total exposure measure. Overall, the numerator, Tier 1 capital, increased by 15.8% largely due to movements in unrealised losses and the inclusion of profits for the year. The denominator, total exposures, increased by 11.0% largely due to higher on balance sheet exposures and SFT activity, resulting in the overall broadly static change in the ratio.

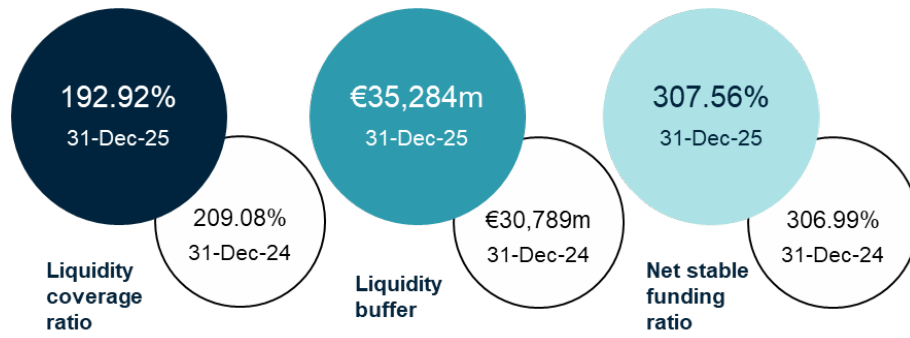
**Table 38: EU LR3 Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)**

This table shows the composition of on-balance sheet exposures excluding derivatives and exempted exposures.

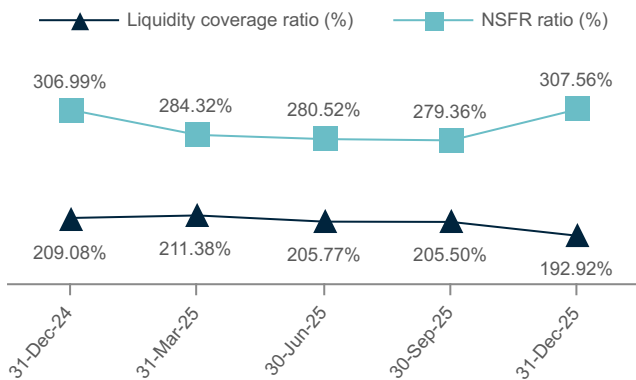
<b>At 31 December 2025</b>		
<b>(€m)</b>		
<b>EU-1</b>	<b>Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:</b>	<b>43,901</b>
EU-2	Trading book exposures	—
EU-3	Banking book exposures, of which:	43,901
EU-4	Covered bonds	3,304
EU-5	Exposures treated as sovereigns	22,911
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	1,419
EU-7	Institutions	9,427
EU-8	Secured by mortgages of immovable properties	—
EU-9	Retail exposures	—
EU-10	Corporates	5,492
EU-11	Exposures in default	—
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	1,348

The Board is committed to ensuring that the European Bank is well capitalised at all times. The level of regulatory capital held by the European Bank is managed to levels in excess of current regulatory requirements and subject to risk appetite levels approved by the Board. Leverage ratio requirements are monitored as part of the regulatory reporting process and shall not fall below the internal (risk appetite) limits as measured on a quarter end basis. Note that the European Bank is subject to a leverage ratio minimum requirement of 3.00%. The leverage ratio is reported internally on a regular basis for monitoring purposes and a full calculation of exposure and capital is performed quarterly per the COREP process.

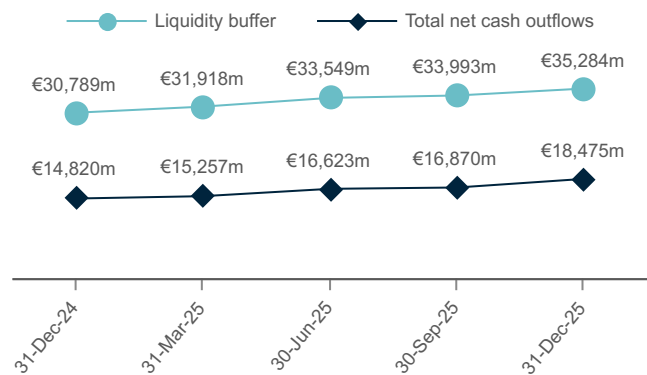
## 16 Article 451a CRR III - Liquidity requirements



Liquidity ratios\*



Liquidity metrics\*



\* LCR reflects the total weighted values (average) over a trailing twelve month period. NSFR values are on a spot basis.

### 16.1 Liquidity risk profile

The European Bank defines liquidity risk as the risk arising from an inability to access funding, convert assets to cash quickly and efficiently, or to roll over or issue new debt, especially during periods of market stress, at a reasonable cost in order to meet its short-term (up to one year) obligations. Liquidity risk includes the inability to access funding sources or manage fluctuations in funding levels.

The European Bank's overall approach to liquidity management is to ensure that sources of liquidity are sufficient in amount and diversity such that changes in funding requirements can be accommodated routinely without material adverse impact on earnings, capital, daily operations, or the financial condition of the European Bank.

The European Bank seeks to ensure that the overall liquidity risk that it undertakes stays within its risk appetite. 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 the balance sheet. The European Bank maintains ample liquidity buffers in the form of cash at central bank and highly liquid assets for changes in deposit funding or deposit concentration. Apart from operational client overdrafts, the European Bank does not extend term loans to clients and therefore funding assets is not a significant use of liquidity. While sizeable overdrafts can periodically appear on the European Bank's balance sheet, large deposits offset these amounts.

The goal of the European Bank's liquidity management is to ensure that all liquidity risks are defined, understood, and effectively managed through well-designed policies and controls. In this context, the European Bank has established a robust liquidity risk management framework that is fully integrated into its risk management processes. The European Bank has an embedded set of processes that cover the identification, measurement, monitoring, control and mitigation of liquidity risk. Processes are supported by IT platforms, management information systems and an organizational structure that includes independent control functions.

The European Bank has a management reporting and escalation framework in place where risks are communicated to senior management and oversight committees through periodical reporting and circulation of committee meeting minutes, including a defined escalation process, as set forth within the European bank Contingency Funding Plan, in case of exceptions to internal triggers, regulatory breaches or emergency situation.

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

The liquidity risk management framework, is prepared in accordance with the guidelines set forth by the regulators, corporate standards, and encompasses the unique structure and characteristics of the European Bank. Regulatory reporting is performed by the Finance function in line with home/host regulatory requirements. Written and approved policies that define the liquidity risk appetite and tolerance, strategy, principles and includes reporting requirements to appropriate management levels. The European Bank has the following policies and guidelines for managing liquidity and funding risk in place that are updated at least annually:

- BNY European Bank Liquidity Addendum;
- BNY European Bank Contingency Funding Plan;
- BNY European Bank Intraday Liquidity Framework.

With the approval of the European Bank's ILAAP and Liquidity Appetite Statement ('LAS'), management declares the adequacy of its liquidity risk management framework. Based on the liquidity risk management self-assessment requirements outlined in the supervisory expectations for ILAAP, the European Bank believes to be adequately compliant with the key principles defined around liquidity management. The European Bank believes itself to be compliant with its own and BNY Group policies and therefore considers that the liquidity management process in place is adequate.

### 16.2 Reporting and measurement

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Execution of transactions for day-to-day liquidity management is performed by the European Bank's Corporate Treasury. The European Bank Finance team provides information on capital and liquidity positions to the European Bank's Corporate Treasury to ensure the management of capital and liquidity ratios within internal risk appetite and regulatory limits.

The Liquidity Coverage Ratio ('LCR') is calculated according to the regulatory formula assessing the liquid assets, weighted according to the regulatory factors, as a fraction of the combination of inflows of assets and outflows of liabilities, each weighted according to regulatory factors over a 30 calendar day time horizon.

The Net Stable Funding Ratio ('NSFR') measures the stability of the funding profile over a one-year time horizon by relating the Bank's Available Stable Funding ('ASF') to its Required Stable Funding ('RSF').

Both LCR and NSFR risk appetites are based on a management approved surplus against regulatory minimums.

The European Bank's LCR and NSFR remained significantly above the 100% regulatory limits, in addition the liquidity surplus remained well above the internally set risk limits.

### 16.3 Mitigation

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The European Bank's Liquidity Addenda provides the framework for identifying, measuring, monitoring, and managing liquidity risk for the European Bank. This document has been prepared in accordance with the BNY Liquidity Policy and regulatory guidelines taking into account the capital structure, risk profile, complexity, activities and size of the European Bank.

The European Bank has direct access to the ECB liquidity facilities via the Bundesbank which enables enhanced monetisation capabilities with reduced operational risk. Collateral pre-positioned at the Bundesbank remains unencumbered at the disclosure date.

### 16.4 Structure, Organisation and Interaction

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The European Bank has a governance structure in place commensurate with the range of its activities and its liquidity profile. This includes oversight committees (including the ALCO, Executive Committee and Board) that are responsible for review and approval of the liquidity management strategy, policies and practices and that ensures that senior management effectively implements and controls these elements.

### 16.5 Liquidity stress testing

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The European Bank conducts liquidity stress testing ('LST') as an internal measure, under a currency specific model, to assess its ability to meet cash needs under management-defined assumptions in various stress scenarios over time horizons up to one year. The purpose of LST is to:

- measure and ensure solvency of the Bank during periods of liquidity stress;
- protect the European Bank franchise as an ongoing business;
- assess any potential liquidity vulnerabilities;
- limits are set on internal LST metric as well as Regulatory (LCR, NSFR) metrics.

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

The European Bank tests the robustness of its intraday liquidity through a stress testing program. The goal of the intraday liquidity stress testing ('ILST') is to evaluate the European Bank's ability to meet its payment, clearing and settlement obligations on a timely basis under stressed conditions and to identify any potential vulnerabilities that can be addressed in a proactive manner. Intraday Liquidity Management is performed irrespective of the results from the Intraday Liquidity Stress Tests. The Intraday Liquidity Stress Tests are performed as supplemental analysis and is reported in the European Bank ALCO on a monthly basis.

### 16.6 Quantitative disclosures

Quantitative LCR and NSFR information in accordance with Article 451a CRR can be found on the following pages. On this basis, LCR metrics are disclosed on an average basis for a trailing twelve month period for each disclosure point. Conversely, NSFR metrics are disclosed on a point in time basis.

**Table 39: EU LIQ1 Quantitative information of LCR**

Unweighted metrics represent the European Bank's assets and liabilities, on and off-balance sheet, whilst the weighted equivalent represents the same balances after the application of prescribed weightings

EU-1a	Individual (€m)	Total unweighted value (average)				Total weighted value (average)			
		31-Dec-25	30-Sep-25	30-Jun-25	31-Mar-25	31-Dec-25	30-Sep-25	30-Jun-25	31-Mar-25
EU-1a	Quarter ending on								
EU-1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	<b>HIGH-QUALITY LIQUID ASSETS</b>								
1	Total high-quality liquid assets (HQLA), after application of haircuts in line with Article 9 of regulation (EU) 2015/61					35,284	33,993	33,549	31,918
	<b>CASH – OUTFLOWS</b>								
2	Retail deposits and deposits from small business customers, of which:								
3	Stable deposits	—	—	—	—	—	—	—	—
4	Less stable deposits	—	—	—	—	—	—	—	—
5	Unsecured wholesale funding	41,458	39,643	38,635	37,320	25,192	23,009	22,162	21,077
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	21,622	22,111	21,871	21,549	5,405	5,528	5,468	5,387
7	Non-operational deposits (all counterparties)	19,836	17,533	16,764	15,771	19,787	17,482	16,694	15,690
8	Unsecured debt	—	—	—	—	—	—	—	—
9	Secured wholesale funding					3	5	6	8
10	Additional requirements	436	445	465	455	436	445	465	455
11	Outflows related to derivative exposures and other collateral requirements	436	445	465	455	436	445	465	455
12	Outflows related to loss of funding on debt products	—	—	—	—	—	—	—	—
13	Credit and liquidity facilities	—	—	—	—	—	—	—	—
14	Other contractual funding obligations	231	185	190	199	43	29	23	16
15	Other contingent funding obligations	501	384	343	281	115	90	82	69
16	<b>TOTAL CASH OUTFLOWS</b>					25,789	23,579	22,737	21,625
	<b>CASH – INFLOWS</b>								
17	Secured lending (e.g. reverse repos)	6,704	5,736	5,475	4,406	1	—	—	0
18	Inflows from fully performing exposures	7,175	6,564	5,955	6,224	7,175	6,564	5,955	6,223
19	Other cash inflows	323	329	355	307	139	145	160	144
EU 19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					—	—	—	—
EU 19b	(Excess inflows from a related specialised credit institution)					—	—	—	—
20	<b>TOTAL CASH INFLOWS</b>	14,202	12,629	11,786	10,936	7,314	6,709	6,114	6,367
EU 20a	Fully exempt inflows	—	—	—	—	—	—	—	—
EU 20b	Inflows subject to 90% cap	—	—	—	—	—	—	—	—
EU 20c	Inflows subject to 75% cap	14,202	12,629	11,786	10,936	7,314	6,709	6,114	6,367
	<b>TOTAL ADJUSTED VALUE</b>								
21	LIQUIDITY BUFFER					35,284	33,993	33,549	31,918
22	TOTAL NET CASH OUTFLOWS					18,475	16,870	16,623	15,257
23	LIQUIDITY COVERAGE RATIO (%)					192.92 %	205.50 %	205.77 %	211.38 %

Table 40: EU LIQB Qualitative information on LCR which complements template EU LIQ1

<b>Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time</b>	At the end of December 2025, based on a weighted average over 12 monthly reporting periods, the Company's LCR was 192.92%, down 13% points on the previous quarter. This substantially exceeded internal and regulatory minimum requirements. The main drivers of the December 2025 LCR, based on a weighted average over 12 months, included higher outflows up on average by €2.2 billion or 9% approximately, with non-operational deposits by financial customers being the primary driver. Inflows from fully performing exposures were also up €611 million or 9% approximately. Overall, on a weighted average over 12 months, the net effect was a 10% higher denominator representing net cash outflows, whilst the numerator was up 4% via the liquidity buffer.
<b>Explanations on the changes in the LCR over time</b>	Please see the graphs on page 77 for a visualisation of the Company's LCR over time, based on a weighted average over 12 months at each reporting date in accordance with Article 451a(2). On this basis, the Company's LCR has been safely above regulatory minimums and is higher than the average LCR for O-SIIs of 168% <sup>1</sup> . It is influenced primarily by progressively higher net outflows over the year, up €3.7 billion, or 25% approximately, over a 12 month weighted average period. This is complemented by an increase in the liquidity buffer of €4.5 billion, or 15% approximately. Overall, central bank placements and central government assets constitute approximately two thirds of the liquidity buffer.
<b>Explanations on the actual concentration of funding sources</b>	Liquidity and concentration risk is appropriately managed and diversified according to internal policies and regulatory limits. The Company has procedures in place which require both a daily and a monthly analysis of the composition and variation of HQLA, plus the inflows and the outflows. Please see the text on pages 77 and 78 for more information. As of the disclosure date, levels of concentration risk were within internal limits with funding by the top 10 counterparties originating from unsecured wholesale funding, namely intragroup counterparties and a range of selected financial customers, with the latter having a weighted average residual maturities of approximately 1 day.
<b>High-level description of the composition of the institution's liquidity buffer.</b>	The liquidity buffer is primarily composed of Level 1 assets. Notably, central government assets represent the majority of the buffer at the disclosure date, trending on average around 36% of the buffer over a 12 month period, whilst central bank placements represented 34% of the buffer over the same period. Diversification in the buffer is achieved through investments in Level 1 debt instruments such as government and regional/local bonds, public sector and supranational entities, but also government backed credit institutions and extremely high quality covered bonds. Exposure to Level 2 assets is notably lower, namely in the form of high quality covered bonds stemming from third countries.
<b>Derivative exposures and potential collateral calls</b>	Derivative exposures in the European Bank's LCR are considered on a net basis where possible. Subsequent liquidity outflows and inflows are present which are categorised accordingly.
<b>Currency mismatch in the LCR</b>	The European Bank's significant currencies at the disclosure date largely show a consistent surplus between the liquidity buffer and net outflows for EUR and USD. GBP is slightly above EBA averages. On an average basis over 12 months the LCR per significant currency remains above or similar to EBA averages <sup>1</sup> .
<b>Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile</b>	There are no other items in the LCR calculation not captured in the LCR disclosure template at the reporting date.

<sup>1</sup> EBA Report On Liquidity Measures Under Article 509(1)

Table 41: EU LIQ2 Net Stable Funding Ratio

At 31 December 2025 (€m)	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>					
1 Capital items and instruments	5,264	—	—	—	5,264
2 Own funds	5,264	—	—	—	5,264
3 Other capital instruments		—	—	—	—
4 Retail deposits		—	—	—	—
5 Stable deposits		—	—	—	—
6 Less stable deposits		—	—	—	—
7 Wholesale funding:		41,369	—	1,000	11,574
8 Operational deposits		21,119	—	—	10,560
9 Other wholesale funding		20,250	—	1,000	1,014
10 Interdependent liabilities			—	—	—
11 Other liabilities:	14	596	—	—	—
12 NSFR derivative liabilities	14				
13 All other liabilities and capital instruments not included in the above categories		596	—	—	—
<b>14 Total available stable funding (ASF)</b>					<b>16,838</b>
<b>Required stable funding (RSF) Items</b>					
15 Total high-quality liquid assets (HQLA)					2,858
EU-15a Assets encumbered for a residual maturity of one year or more in a cover pool		—	—	—	—
16 Deposits held at other financial institutions for operational purposes		—	—	—	—
17 Performing loans and securities:		15,086	445	826	1,687
18 Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		8,865	—	—	—
19 Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		6,070	445	—	829
20 Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		0	—	—	0
21 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0	—	—	0
22 Performing residential mortgages, of which:		—	—	—	—
23 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
24 Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		152	—	826	858
25 Interdependent assets		—	—	—	—
26 Other assets:		707	—	927	930
27 Physical traded commodities					—
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		—	—	71	61
29 NSFR derivative assets		—			—
30 NSFR derivative liabilities before deduction of variation margin posted		268			13
31 All other assets not included in the above categories		439	—	855	855
32 Off-balance sheet items		—	—	—	—
<b>33 Total RSF</b>					<b>5,475</b>
<b>34 Net Stable Funding Ratio (%)</b>					<b>307.56 %</b>

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

The NSFR ratio increased to 308% at the reference date, driven by a combination of higher ASF and a reduction in RSF. ASF increased by €0.8 billion, primarily reflecting the inclusion of €0.6 billion of audited 2025 profits within regulatory capital, alongside an increase in operational deposits, up €0.2 billion. RSF decreased by €0.2 billion, largely due to a €0.5 billion reduction in loans and advances, driven by the roll-down of longer-tenor intercompany placements to shorter residual maturities. This was partly offset by higher securities holdings and an increase in other assets, both up €0.2 billion and €0.1 billion respectively.

The European Bank's NSFR ratio remains well above the regulatory limit of 100%.

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At 30 September 2025 (€m)	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>					
1 Capital items and instruments	4,654	—	—	—	4,654
2 Own funds	4,654	—	—	—	4,654
3 Other capital instruments		—	—	—	—
4 Retail deposits		—	—	—	—
5 Stable deposits		—	—	—	—
6 Less stable deposits		—	—	—	—
7 Wholesale funding:		43,949	3	1,000	11,369
8 Operational deposits		20,657	—	—	10,329
9 Other wholesale funding		23,292	3	1,000	1,040
10 Interdependent liabilities		—	—	—	—
11 Other liabilities:	33	1,078	—	—	—
12 NSFR derivative liabilities	33				
13 All other liabilities and capital instruments not included in the above categories		1,078	—	—	—
<b>14 Total available stable funding (ASF)</b>					<b>16,023</b>
<b>Required stable funding (RSF) Items</b>					
15 Total high-quality liquid assets (HQLA)					2,996
EU-15a Assets encumbered for a residual maturity of one year or more in a cover pool		—	—	—	—
16 Deposits held at other financial institutions for operational purposes		—	—	—	—
17 Performing loans and securities:		17,893	21	1,088	1,946
18 Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		8,629	—	—	—
19 Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		9,256	4	441	1,368
20 Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		2	—	—	1
21 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0	—	—	0
22 Performing residential mortgages, of which:		—	—	—	—
23 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
24 Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		6	17	647	577
25 Interdependent assets		—	—	—	—
26 Other assets:		519	—	798	793
27 Physical traded commodities					—
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		—	—	74	63
29 NSFR derivative assets		—			—
30 NSFR derivative liabilities before deduction of variation margin posted		122			6
31 All other assets not included in the above categories		397	—	724	724
32 Off-balance sheet items		—	—	—	—
<b>33 Total RSF</b>					<b>5,735</b>
<b>34 Net Stable Funding Ratio (%)</b>					<b>279.36 %</b>

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

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

At 30 June 2025 (€m)	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>					
1 Capital items and instruments	4,645	—	—	—	4,645
2 Own funds	4,645	—	—	—	4,645
3 Other capital instruments		—	—	—	—
4 Retail deposits		—	—	—	—
5 Stable deposits		—	—	—	—
6 Less stable deposits		—	—	—	—
7 Wholesale funding:		43,770	4	1,000	11,873
8 Operational deposits		21,681	—	—	10,840
9 Other wholesale funding		22,089	4	1,000	1,032
10 Interdependent liabilities		—	—	—	—
11 Other liabilities:	200	941	—	—	—
12 NSFR derivative liabilities	200				
13 All other liabilities and capital instruments not included in the above categories		941	—	—	—
<b>14 Total available stable funding (ASF)</b>					<b>16,518</b>
<b>Required stable funding (RSF) Items</b>					
15 Total high-quality liquid assets (HQLA)					3,037
EU-15a Assets encumbered for a residual maturity of one year or more in a cover pool		—	—	—	—
16 Deposits held at other financial institutions for operational purposes		—	—	—	—
17 Performing loans and securities:		16,311	232	927	1,849
18 Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		7,666	—	—	—
19 Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		8,645	209	437	1,406
20 Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		0	—	—	0
21 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0	—	—	0
22 Performing residential mortgages, of which:		—	—	—	—
23 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
24 Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		—	23	490	443
25 Interdependent assets		—	—	—	—
26 Other assets:		922	—	989	1,002
27 Physical traded commodities					
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		—	—	69	58
29 NSFR derivative assets		—			
30 NSFR derivative liabilities before deduction of variation margin posted		459			23
31 All other assets not included in the above categories		464	—	921	921
32 Off-balance sheet items		—	—	—	—
<b>33 Total RSF</b>					<b>5,888</b>
<b>34 Net Stable Funding Ratio (%)</b>					<b>280.52 %</b>

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

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

At 31 March 2025 (€m)	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
<b>Available stable funding (ASF) Items</b>					
1 Capital items and instruments	4,595	—	—	—	4,595
2 Own funds	4,595	—	—	—	4,595
3 Other capital instruments		—	—	—	—
4 Retail deposits		—	—	—	—
5 Stable deposits		—	—	—	—
6 Less stable deposits		—	—	—	—
7 Wholesale funding:		43,599	11	1,006	11,622
8 Operational deposits		21,178	—	—	10,589
9 Other wholesale funding		22,421	11	1,006	1,033
10 Interdependent liabilities		—	—	—	—
11 Other liabilities:	69	524	—	—	—
12 NSFR derivative liabilities	69				
13 All other liabilities and capital instruments not included in the above categories		524	—	—	—
<b>14 Total available stable funding (ASF)</b>					<b>16,217</b>
<b>Required stable funding (RSF) Items</b>					
15 Total high-quality liquid assets (HQLA)					3,167
EU-15a Assets encumbered for a residual maturity of one year or more in a cover pool		—	—	—	—
16 Deposits held at other financial institutions for operational purposes		—	—	—	—
17 Performing loans and securities:		16,192	97	947	1,756
18 Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		8,223	—	—	—
19 Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		7,968	60	468	1,295
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		0	—	—	0
21 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		0	—	—	0
22 Performing residential mortgages, of which:		—	—	—	—
23 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		—	—	—	—
24 Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		—	37	479	461
25 Interdependent assets		—	—	—	—
26 Other assets:		523	—	781	781
27 Physical traded commodities					
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		—	—	58	49
29 NSFR derivative assets		—			
30 NSFR derivative liabilities before deduction of variation margin posted		180			9
31 All other assets not included in the above categories		343	—	723	723
32 Off-balance sheet items		—	—	—	—
<b>33 Total RSF</b>					<b>5,704</b>
<b>34 Net Stable Funding Ratio (%)</b>					<b>284.32 %</b>

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

## 17 Article 451b CRR III - Disclosure of crypto-asset exposures and related activities

In accordance with the transitional provisions of CRR Article 501d(2) regarding the disclosure of crypto assets the European Bank has no exposure as at the 31 December 2025.

As at 31 December 2025, the European Bank does not plan to issue any asset referenced tokens. Existing activities are governed by BNY's standard operational risk management framework policy. Currently, the European Bank has no crypto-asset exposures and therefore does not support any related services. However, the European Bank aims to support crypto-asset related activities on the blockchain in the future.

The following template is therefore not disclosed:

- EU CAE1 - Exposures to crypto-assets

18 Disclosure of environmental, social and governance risks (ESG risks)

In accordance with the transitional provisions outlined in Article 2(2) of the draft Implementing Technical Standards amending Commission Implementing Regulation (EU) 2024/3172, as regards the disclosures on ESG risks, the European Bank will apply the amended requirements of Article 449a as of reference date 31 December 2026.

Discussion of the European Bank’s approach to management of Climate and Environmental risks can be found in detail within the separate FY 2025 BNY European Bank Sustainability Statement disclosure to satisfy the Corporate Sustainability Reporting Directive ('CSRD'). The following section provides indication of the key risk metrics used to measure Climate and Environmental risks.

**Metrics and targets**

**Metrics used by the organisation to assess climate and environmental-related risks and opportunities**

The European Bank has defined climate- and environmental-related risks as risk drivers impacting the majority of the Group's risks outlined in its Risk Appetite Statement. The Risk Appetite Statement incorporates a dedicated section requiring all staff to ensure that climate & environmental risk impacts are considered within ongoing risk assessment across all risk types. BNY actively monitors potential concentrations and, where appropriate, implements local management thresholds, including in the EB credit portfolio where a risk management threshold has been introduced to ensure that future concentrations do not become material. This threshold serves as a forward-looking metric to monitor excessive build-up of sustainability-related exposures, and the approach is in line with other large exposure and concentration rules. As the threshold is designed to flag potential risk accumulation, it is set based on potential impact on loss and not with reference to the current level of exposure.

The European Bank's monitoring and reporting is primarily focused on risks that could emerge based on identification of financial exposures with a potentially higher vulnerability to physical and transitional risks across various time horizons, in line with analysis and metrics produced at Group Level. We define more highly vulnerable sectors<sup>1</sup> based on the potential impact of carbon emissions, climate change vulnerability and carbon footprint from business activity. In producing the metrics used to monitor potential climate and environmental risks described in Table 1 below, we use both actual and estimated data. There are a number of challenges associated with the production of metrics due to a number of limitations relating to geographic, sector and counterparty data. Accordingly, the results include a number of assumptions, extrapolations, or aggregation at subsector levels. We continue to enhance data, measurement capabilities and assessment methodologies to improve climate risk and environmental reporting.

**Table 1: Risk Types and Key Metrics**

Risk Type	Sustainability Monitoring Metrics	Drivers Covered	Horizons Covered
Credit Risk - Lending	Exposures (\$) and percentage (%) of corporate loans in potentially vulnerable sectors	All Physical and Transition Risk Drivers	Short to Medium
Credit Risk - Investments	Exposures (\$) and percentage (%) of sovereign bonds in potentially vulnerable geographies	Environmental, Social and Governance	Short to Medium
Strategic Risk	Revenue from higher and moderate climate risk sectors	Transition Risk – Market Drivers, public policy	Short to Medium

<sup>1</sup> More highly vulnerable sectors include Oil & Gas; Utilities; Automotive; Air, Water and Ground transportation; Chemicals; Metal and Mining; Construction, Real Estate, Manufacturing, Pharmaceutical, rubber and plastic products, Insurance.

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Strategic & Reputational Risk	Number of escalations from scanning new clients under the Business Appetite Framework.	Transition risk - Reputation	Short
Market Risk - Trading and Banking Book	Fair Value losses based on hypothetical internal and/or external climate change scenarios.	All Transition Risks	Short
Operational Risk	Number of, and losses from weather-related events	Physical Risks, in particular Acute Risks Drivers	Short, Medium and Long
Operational Risk	Critical vendors (both external and inter-affiliate) in high-risk locations (assessed based on the location the vendor provides the service from and where data is stored)	Physical Risks, both Acute and Chronic Risks Drivers	Short, Medium and Long
Operational Risk	Number of, and percentage of employees located in physical locations identified as being of potentially higher risk	Physical Risks, both Acute and Chronic Risks Drivers	Medium and Long

Aggregate levels of risk are relatively very low. The European Bank's exposure in sectors or geographies that are marginally more likely to be impacted by climate change or environmental-related risks represents less than 1% of total credit exposure., and is consistent year over year, as detailed in table 2 below:

**Table 2: Climate metrics - potential sources of exposure as of 31 December 2025**

	Q4 2025	Q4 2024	Q4 2023
Total Assets from Balance sheet (in €000s)	€ 48,917,620	€ 43,980,283	€ 39,658,893
Total Exposures to High and Moderate Sectors ( <i>Credit + Investment Portfolios</i> )	0.72 %	0.47%	0.65%
<b>Credit Risk (Loans and Unfunded commitments)</b>			
Exposures to High and Moderate vulnerable sectors	0.00%	0.00%	0.01%
– of which High	0.00%	0.00%	0.00%
– of which Moderate	0.00%	0.00%	0.01%
Sovereign exposures to High and Moderate vulnerable geographies	0.00%	0.00%	0.07%

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– of which High	0.00%	0.00%	0.02%
– of which Moderate	0.00%	0.00%	0.05%
<b>Credit Risk (Investment portfolio)</b>			
Exposures to High and Moderate vulnerable sectors (Corporate Bonds)	0.59 %	0.30%	0.34%
– of which High	0.34 %	0.03%	0.03%
– of which Moderate	0.25 %	0.27%	0.31%
Sovereign exposures to High and Moderate vulnerable geographies	0.13 %	0.16%	0.23%
– of which High	0.00%	0.00%	0.83%
– of which Moderate	0.13 %	0.16%	0.23%
<b>Operational Risk</b>			
Number of weather-related events recorded	0	0	0
Losses from weather related events	€0	€0	€0
Number of Vendors rated High and Moderate Risk *	0 High / 4 Moderate	1 High / 3 Moderate	4 High / 3 Moderate
<b>Strategic Risk</b>			
Revenue derived from clients in High & Moderate vulnerable industries (% Total revenue)	4.22 %	3.15%	4.83%

\*Level of risk after considering the vendor's resilience (Physical Location Risk + Resilience). Count of vendors may vary following the revision of Inherent Risk Profiles of the vendors connected to relevant engagements.

The European Bank's exposure in sectors or geographies that are marginally more likely to be impacted by environmental risks represents 0.02% of total Credit Exposure. Exposure across Environmental risks is not additive, an exposure to higher and moderate sector can appear in the equivalent metrics across climate, natural capital and Pollution & Waste.

Natural Capital (Table 3) includes assessment of Environmental risks arising from Biodiversity, Land use, raw material sourcing, water stress. Pollution & Waste (Table 4) includes assessment of the following Environmental risks: Electronic Waste, Packaging Material & Waste, Toxic Emissions & Waste.

**Table 3. Natural Capital metrics (Biodiversity, Land Use, Raw Material Sourcing, Water Stress) - potential sources of exposure as of 31 December 2025**

	Q4 2025	Q4 2024
Total Assets from Balance sheet (in €000s)	€ 48,917,620	€ 43,980,283
Total Exposures to High and Moderate Vulnerable Sectors (Credit + Investment Portfolios)	0.02 %	0.03%
<b>Credit Risk (Loans and Unfunded commitments)</b>		
Exposures to High and Moderate vulnerable sectors	0.00%	0.00%
– of which High	0.00%	0.00%
– of which Moderate	0.00%	0.00%
<b>Credit Risk (Investment portfolio)</b>		
Exposures to High and Moderate vulnerable sectors (Corporate Bonds)	0.02 %	0.03%
– of which High	0.00%	0.00%
– of which Moderate	0.02 %	0.03%

**Table 4: Pollution & Waste metrics by risk type (Electronic Waste, Packaging Material & Waste, Toxic Emissions & Waste)- potential sources of exposure as of 31 December 2025**

	Q4 2025	Q4 2024
Total Assets from Balance sheet (in €000s)	€ 48,917,620	€ 43,980,283
Total Exposures to High and Moderate Vulnerable Sectors (Credit + Investment Portfolios)	0.02 %	0.03%
<b>Credit Risk (Loans and Unfunded commitments)</b>		
Exposures to High and Moderate vulnerable sectors	0.00%	0.00%
– of which High	0.00%	0.00%
– of which Moderate	0.00%	0.00%
<b>Credit Risk (Investment portfolio)</b>		
Exposures to High and Moderate vulnerable sectors (Corporate Bonds)	0.02 %	0.03%
– of which High	0.00%	0.00%
– of which Moderate	0.02 %	0.03%

The metrics described above continue to evidence low overall impacts from climate and environmental risk drivers, relative to other drivers of risk.

For non-financial risks:

- No operational losses relating to climate risk have occurred during 2025.
- Based on our ongoing assessment of vendor risk, the European Bank identified a small number of our critical vendors who provide services from locations that may be subject to higher climate related vulnerabilities but operate with appropriate controls to minimise any risk to resilience. The vendor due diligence and risk management processes continue to be enhanced to capture climate and broader ESG

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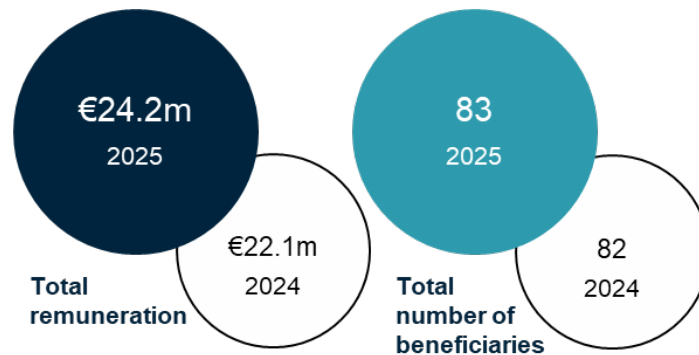
related implications. The European Bank continues to monitor the vendor population and apply enhanced due diligence and appropriate decision-making as required.

- No climate-related strategic or reputational events had an observed material impact on the European Bank's financial performance during 2025.

For financial risks:

- Credit risk-generating assets in sectors at higher risk of physical and/or transition risks make up less than 1% of total European Bank assets. Exposure levels remain contained with no specific evolution of the Climate and Environmental risk profile since Q4 2022.
- Liquidity risk sensitivities are estimated as part of the liquidity risk identification process. The impact of climate-related sensitivities applied has not been significant relative to other liquidity risk drivers.

## 19 Article 450 CRR III - Remuneration policy



### 19.1 Governance

The Board is responsible for the remuneration policy and its application within the European Bank, including its branches and subsidiaries ('the Covered Entities'). The Board ensures that variable remuneration plans and the awards paid in execution of them do not jeopardise a sound capital base and are in line with the European Bank's risk appetite and long-term strategy. It is assisted in this by the Remuneration Committee ('RemCo') and the Risk Committee ('RiskCee') of the Board. The RemCo advises the Board on the remuneration policy (after input from the RiskCee during joint session meetings). The RemCo also reviews annually the list of staff that have a material impact on the risk profile of the European Bank ('Identified Staff' or 'Material Risk Takers' ('MRTs')), and their variable compensation awards, and any ex-post risk adjustment to be applied, before submitting the proposals to the Board (in session with the non-executive directors only) for approval.

All RemCo members are non-executive directors of the Board. Corporate Secretary provides the RemCo secretarial duties.

The Board meets at least quarterly and approves the year-end compensation awards of its regulated staff members. The RemCo met thirteen times during 2025 (including three joint sessions with the RiskCee and one session with the Nomination and ESG Committee), whilst other committees listed in the remuneration policy<sup>1</sup> met a total of nine times during the year. Awards in instruments are made in the form of shares in The Bank of New York Mellon Corporation ('BNY'). These shares are listed on the New York Stock exchange under ticker "BK". Deferred shares are made in the form of Restricted Share Units, transferable into BK shares at vesting. These grants also require the approval of the Human Resources and Compensation Committee ('HRCC') of BNY, since it functions as the remuneration committee of the ultimate shareholder of the European Bank.

### 19.2 Aligning pay with performance

BNY's compensation philosophy is to offer a total compensation opportunity that supports its Pillars & Principles. BNY offers a total rewards program that is externally competitive, internally equitable (gender neutral), and tied both to employee contributions and company success. The company monitors its gender pay gap.

BNY 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 BNY's compensation philosophy and principles, BNY aligns the interests of its employees and shareholders 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 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.

<sup>1</sup> HRCC, COC & ICRC

## 19.3 Fixed remuneration

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Fixed remuneration is composed of (i) salary, (ii) any additional non-discretionary and non-performance related amounts paid as a result of contractual obligations or applicable law, or as a result of market practice, including role-based allowances, and (iii) any benefits in kind which are awarded as a result of the job rather than the performance within the job. A small number of employees are eligible to receive a role-based allowance. It is a fixed cash allowance that is permanent, predetermined, non-discretionary and non-revocable unless there is a change in the employee's role.

The fixed remuneration of an employee is determined by the job performed, its level of complexity and responsibility, and the remuneration paid in the market for that type of job. It is set, for all staff, at a rate to be at all times sufficient to provide for full flexibility with regards to any variable remuneration element, including a zero variable remuneration.

Employees who act as non-executive directors of one or more BNY legal entities are not remunerated for their mandate as a director. Independent directors of the European Bank only receive fixed remuneration.

## 19.4 Variable compensation funding and risk adjustment

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All staff, including MRTs employed by or seconded to the Covered Entities, are eligible to receive variable remuneration, in application of variable compensation plans in existence in the European Bank or in BNY. Variable compensation plans are designed to reward performance at both the corporate, business line (if the individual belongs to a business line) and individual level and/or to retain staff. Such variable compensation consists of both cash and equity (including deferred components). The Board and the RiskCee ensure that no variable compensation plan encourages risk taking at a level not acceptable for the risk profile of the European Bank.

The criteria for determining variable compensation reflect individual, business line and corporate performance, as applicable, and are determined on the basis of financial and non-financial factors, both currently and over a longer period of time.

On an exceptional basis and for new hires under the Early Career Program, the European Bank may grant guaranteed variable remuneration, limited only to the first year of employment. For Senior Managers, guaranteed variable remuneration needs to be approved by the RemCo.

For MRTs, severance payments provided for the early termination of employment contract will be considered as variable remuneration and hence be considered for the calculations of the maximum leverage ratios and for the application of the regulatory deferral rules, unless the severance payment is mandated under statutory law or mandatory following a decision of court or the severance payment is calculated through an appropriate predefined generic formula laid down in a company arrangement legally applicable to the individual or is due in application of a non-competition clause up to the amount of fixed remuneration which would have been paid for the non-competition period, if the MRT had still been employed.

The European Bank makes use of the robust performance appraisal process in place at BNY to document an individual's performance. The performance management program ('PMP') of the Company includes goal plans on Results-Based goals, Strong Risk Culture, and the Principles goals. For selected staff members, the process also includes an assessment of the individual's performance against an environmental/climate goal to foster the Bank's Environmental, Social, and Governance ('ESG') strategy.

MRTs are requested to include in their performance appraisal process one or more "goals" related to their role in the legal entity. MRTs are also assessed, as all staff members are, against feedback on The Company's goal plans. For MRTs, the performance related to the risk and control aspects of their job is assessed through the Risk Culture Summary Scorecard ('RCSS'), which provides a systematic, detailed and documented process for assessing MRTs' risk performance in three categories. This process allows the control functions of the European Bank to provide more detailed input (to the RiskCee and RemCo) in respect of behaviour or incidents that occur within the responsibility of the job holder. Four individuals were discussed in 2025 (three due to a negative rating on their PMP and one due to both a negative PMP rating and an RCSS flag) resulting in a downward adjustment of variable compensation for 2025 for one person and no variable compensation plus an exit process for the remaining three.

## 19.5 Ratio between fixed and variable pay

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MRTs of the European Bank are restricted to a maximum variable remuneration of the greater of €50,000 and 100% of fixed remuneration, or 50% of fixed remuneration, in line with the Belgian Banking Law.

**19.6 Deferral policy and vesting criteria**

All awards under variable compensation plans will be subject to deferral of a certain part of the award (deferred component consists of restricted share units), depending on the level of the individual and the amount of the award ('Corporate Deferral Rules').

If the recipient is a MRT in receipt of variable remuneration exceeding €50,000 and if it represents more than one third of the individual's total annual remuneration, the Corporate Deferral Rules are superseded by the payout and deferral requirements set out by the provisions below ('Regulatory Deferral Rules').

The variable remuneration of MRTs whose total variable remuneration exceeds €50,000 and if it represents more than one third of the individual's total annual remuneration, is subject to the following rules:

- a) At least 40% of variable remuneration is deferred for at least 4 years (increasing to 60% where the MRT is an Executive Director of the Bank and/or a MRT in receipt of a particularly high variable amount – exceeding EUR 200,000<sup>2</sup>);
- b) for Senior Managers the deferral period is 5 years; and,
- c) At least 50% of variable remuneration should be delivered in shares or equivalent instruments (once these instruments have been vested to the individual these will be subject to a further one year holding period before being delivered to the MRT).

To meet this requirement, the European Bank will therefore deliver incentives to MRTs (excluding Executive Directors of the Bank and/or MRTs in receipt of a particularly high variable amount for which a 60% deferral of variable remuneration would apply) as follows below:

	Up Front (60%)	Deferred (40%)
<b>Cash (30%)</b>	<b>Cash Award (30%):</b> Variable remuneration in respect of the applicable performance year that will be paid to the employee in cash in the January payroll the following year, subject to the usual deductions of income tax and applicable social security contributions. <sup>3</sup>	<b>Deferred Equity (40%):</b> Variable remuneration in respect of the applicable performance year that will be provided to the employee in restricted stock units ("RSUs") (the precise mechanism for delivery will be determined, at the sole discretion of BNY). The deferred equity will vest as follows: <ul style="list-style-type: none"> <li>• For MRTs who are Senior Managers - 5 equal annual instalments starting upon the first anniversary of the award</li> <li>• For other MRTs - 4 equal annual instalments starting upon the first anniversary of the award</li> </ul> For all MRTs each tranche of vested equity will be subject to a 1 year retention period post vesting before it may be sold (referred to in the charts below as the "point of availability").
<b>Equity (70%)</b>	<b>Instant Vest Equity (30%):</b> Variable remuneration in respect of the applicable performance year that will be provided to the employee in BNY stock which vests on the grant date and is subject to a 1 year retention period before it can be sold.	

All equity awards will be subject to the applicable rules of the BNY long term incentive plan under which they are delivered and the General Incentive Plan Terms and Conditions. All awards are subject to terms and conditions that provide for forfeiture (malus) or clawback in certain circumstances to ensure effective current and future risk adjustments (see section 16.4) are taken into account. The Board may decide to apply forfeiture or malus to unvested deferred awards or clawback to already vested awards in the event of the individual being responsible or taking part in practices that resulted in substantial losses for the Bank, the Bank or the business unit in which the individual works suffering a material downturn in its financial performance, the individual not complying with the applicable standards of professionalism and trustworthiness or the individual participating in a special mechanism with the purpose or consequence to facilitate tax fraud by third parties.

**19.7 Variable remuneration of control function staff**

The variable compensation awarded to control function staff (e.g. audit, legal, risk and compliance) is dependent on performance that is assessed according to the achievement of objectives specific to their functional role that is independent of the activities they oversee. Remuneration is benchmarked against the market level and funded independently of individual business line results and adjusted based on BNY's overall annual financial performance.

Control functions typically receive a lower portion of their total compensation as variable.

<sup>2</sup> Indexed annually on the 31st of December on the basis of the Belgian health index.

<sup>3</sup> Certain local payroll processing schedules resulted in a February incentive payment date (Denmark, Germany, Ireland, Luxembourg, Netherlands).

19.8 Quantitative disclosures

The tables on the following pages provide details of the aggregate remuneration of senior management and MRTs for the European Bank for the year ended 31 December 2025.

For completeness, this group of staff is limited to those considered to be primarily regulated due to their activities under the European Bank. The remuneration amounts are presented on a gross basis, regardless of the time spent by BNY staff in respect of the European Bank to reflect the full reporting period.

**Table 42: EU REM1 - Remuneration awarded for the financial year**

This table shows the total aggregate remuneration<sup>4,5</sup> awarded to MRTs for 2025.

At 31 December 2025 (€000s)		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	<b>Number of identified staff</b>	8	5	33	37
2	<b>Total fixed remuneration</b>	522	3,043	7,970	7,996
3	Of which: cash-based	522	3,043	7,970	7,996
EU-4a	Fixed remuneration Of which: shares or equivalent ownership interests	—	—	—	—
5	Of which: share-linked instruments or equivalent non-cash instruments	—	—	—	—
EU-5x	Of which: other instruments	—	—	—	—
7	Of which: other forms	—	—	—	—
9	<b>Number of identified staff</b>	0	4	27	31
10	<b>Total variable remuneration</b>	—	439	2,092	2,158
11	Of which: cash-based	—	88	801	920
12	Of which: deferred	—	—	—	—
EU-13a	Of which: shares or equivalent ownership interests	—	351	1,292	1,237
EU-14a	Of which: deferred	—	263	753	776
EU-13b	Variable remuneration Of which: share-linked instruments or equivalent non-cash instruments	—	—	—	—
EU-14b	Of which: deferred	—	—	—	—
EU-14x	Of which: other instruments	—	—	—	—
EU-14y	Of which: deferred	—	—	—	—
15	Of which: other forms	—	—	—	—
16	Of which: deferred	—	—	—	—
17	<b>Total remuneration</b>	522	3,482	10,063	10,154

**Table 43: EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)**

This table on the following page shows any special payments made to MRTs for 2025.

At 31 December 2025 (€000s)		MB Supervisory function	MB Management function	Other senior management	Other identified staff
<b>Guaranteed variable remuneration awards</b>					
1	Guaranteed variable remuneration awards - Number of identified staff	—	—	—	—
2	Guaranteed variable remuneration awards - Total amount	—	—	—	—
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap	—	—	—	—
<b>Severance payments awarded in previous periods, that have been paid out during the financial year</b>					
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	—	—	—	—
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	—	—	—	—
<b>Severance payments awarded during the financial year</b>					
6	Severance payments awarded during the financial year - Number of identified staff	—	1	3	2
7	Severance payments awarded during the financial year - Total amount	—	300	1,543	389
8	Of which paid during the financial year	—	300	1,543	389
9	Of which deferred	—	—	—	—
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	—	—	—	—
11	Of which highest payment that has been awarded to a single person	—	300	799	313

Note: There were no guaranteed variable remuneration awards in the year.

<sup>4</sup> Includes base salary and other cash allowances, plus any incentive awarded for full year 2025. Pension contribution is not included.

<sup>5</sup> Includes remuneration of independent non-executive directors who are compensated by the European Bank. Remuneration of non-executive directors are not included in the scope as they are not compensated by the European Bank for the role.

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**Table 44: EU REM3 - Deferred remuneration**

This table shows the total deferred remuneration<sup>6</sup> for MRTs outstanding from previous years.

Deferred and retained remuneration At 31 December 2025 (€000s)	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
<b>1 MB Supervisory function</b>	—	—	—	—	—	—	—	—
2 Cash-based	—	—	—	—	—	—	—	—
3 Shares or equivalent ownership interests	—	—	—	—	—	—	—	—
4 Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
5 Other instruments	—	—	—	—	—	—	—	—
6 Other forms	—	—	—	—	—	—	—	—
<b>7 MB Management function</b>	<b>2,776</b>	<b>615</b>	<b>2,161</b>	—	—	—	<b>615</b>	<b>485</b>
8 Cash-based	114	58	55	—	—	—	58	—
9 Shares or equivalent ownership interests	2,662	556	2,106	—	—	—	556	485
10 Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
11 Other instruments	—	—	—	—	—	—	—	—
12 Other forms	—	—	—	—	—	—	—	—
<b>13 Other senior management</b>	<b>4,470</b>	<b>1,302</b>	<b>3,168</b>	—	—	—	<b>1,302</b>	<b>875</b>
14 Cash-based	225	144	81	—	—	—	144	—
15 Shares or equivalent ownership interests	4,245	1,157	3,088	—	—	—	1,157	875
16 Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
17 Other instruments	—	—	—	—	—	—	—	—
18 Other forms	—	—	—	—	—	—	—	—
<b>19 Other identified staff</b>	<b>3,770</b>	<b>1,083</b>	<b>2,687</b>	—	—	—	<b>1,083</b>	<b>762</b>
20 Cash-based	110	76	34	—	—	—	76	—
21 Shares or equivalent ownership interests	3,660	1,007	2,653	—	—	—	1,007	762
22 Share-linked instruments or equivalent non-cash instruments	—	—	—	—	—	—	—	—
23 Other instruments	—	—	—	—	—	—	—	—
24 Other forms	—	—	—	—	—	—	—	—
<b>25 Total amount</b>	<b>11,015</b>	<b>2,999</b>	<b>8,016</b>	—	—	—	<b>2,999</b>	<b>2,123</b>

Note: There were no adjustments made to deferred remuneration and no adjustments due to ex post implicit adjustments in the year.

<sup>6</sup> Includes total vested cash and equity. Equity portion is valued as at the date the award vested.

Table 45: EU REM4 - Remuneration of 1 million EUR or more per year

At 31 December 2025 (€s)		Identified staff that are high earners as set out in Article 450(i) CRR
1	1,000,000 to below 1,500,000	2
2	1,500,000 to below 2,000,000	1
3	2,000,000 to below 2,500,000	
4	2,500,000 to below 3,000,000	
5	3,000,000 to below 3,500,000	
6	3,500,000 to below 4,000,000	
7	4,000,000 to below 4,500,000	
8	4,500,000 to below 5,000,000	
9	5,000,000 to below 6,000,000	
10	6,000,000 to below 7,000,000	
11	7,000,000 to below 8,000,000	

Table 46: EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

At 31 December 2025 (€000s)	Management body remuneration <sup>7</sup>			Business areas						Total
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	
1	<b>Total number of identified staff</b>									<b>83</b>
2	8	5	13							
3				29	—	—	2	—	2	
4				9	—	—	7	20	1	
5	<b>Total remuneration of identified staff</b>									
6	522	3,482	4,004	14,117	—	—	1,504	3,917	679	
7	—	439	439	3,110	—	—	256	773	111	
8	522	3,043	3,565	11,008	—	—	1,248	3,144	568	

<sup>7</sup> Includes remuneration of independent non-executive directors who are compensated by the European Bank. Remuneration of non-executive directors are not included in the scope as they are not compensated by the European Bank for the role.

### Restitution risk

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Restitution Risk relates to the obligation under regulation (AIFMD/UCITS V) or under commercial contract to reimburse the client for the value of Financial Instruments held in custody where those assets have been lost at or by a sub-custodian (within the BNY custody network or directed sub custody appointments including prime-brokers where liability has not been discharged). The European Bank's strategy is to implement a policy of robust controls and processes to mitigate against restitution risk.

Restitution risk is the risk that the European Bank is willing to take because it is directly related to the business it wants to offer to our clients. The risk is governed by a robust BNY process for both selecting and overseeing sub-custodians, as well keeping clients informed during cases of heightened risk

The main impact on the European Bank is in the role of depositary, and the liability to restate the value of financial instruments held in custody that are lost by the depositary and/ or its delegates. The main source of Restitution Risk for the European Bank is through the depositary business performed by Asset Servicing for its fund clients. Most typically, Restitution liability would be expected to manifest as a result of a combined operational risk and insolvency event. However, the matter is very much a theoretical consideration as no event has manifested in the market place.

### Strategic risk

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Strategic risk is defined as the risk arising from the flawed design, decision or implementation of a business strategy, and potential disruption to business strategy by external factors and/or internal decisions.

The European Bank has a moderate appetite for Strategic risk. By its nature, our business model creates client concentration within the financial services industry and exposure to capital markets performance, globally. We understand and have an appetite to assume these risks. However, we seek to ensure that our industry concentration and capital markets exposure is prudent and directly relates to supporting our business activity and strategy.

The Board is committed to ensuring that strategic initiatives giving rise to significant change in the business organization or operations must be effectively managed, using corporate standard project management methodology.

### Group risk

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Group risk is the risk that the financial position of the European Bank may be adversely affected by its relationships (financial and non-financial) with other entities within BNY or by risks that may affect the whole of BNY.

The European Bank, as a member of the BNY Group, operates in alignment with the Group's business interests, while at the same time maintaining its independence, particularly with respect to operating within a governance framework which protects the interests of the entity's clients.

The European Bank's management has considered several possible scenarios where these services may be affected, these include IT services outage and other business continuity issues. Although these will cause operational issues they are not expected to have a significant cost impact and are therefore not modelled, but are included in the scenarios as part of operational risk assessment and in the liquidity stress testing.

### Model risk

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Model risk refers to the potential loss arising from incorrectly designing/using a model or stress conditions that invalidate the assumptions of a model.

Model risk can result in material financial loss, inaccurate financial or regulatory reporting, misaligned business strategies or damage to the reputation of the European Bank or BNY as a whole.

The European Bank uses models in its risk management framework and business operations. All models have been assessed in line with the relevant corporate policies and model risk management framework wherein the individual model is categorised into one of three tiers based on materiality, complexity, and level of reliance. The tiers determine the controls applicable to the model classes. The Enterprise Model Risk Committee oversees model risk management at the enterprise level and approves the overall framework and standards, which are applicable across the organisation. The Model Risk Management Group, based in the US, retain ultimate responsibility for overall model governance.

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Model Risk Management Governance has responsibility for the governance of inventory and provides a mechanism to report on models to key stakeholders.

BNY internal audit provides independent reviews of compliance with the corporate model validation policy.

### Appendix 2 - 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	C-STOG	Capital and Stress Testing Oversight Group
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
ALM	Asset Liability Management	DVP	Delivery versus Payment
AML	Anti-Money Laundering	EAD	Exposure at default
AS	Asset Servicing	EC	European Commission
AT1	Additional Tier 1	ECL	Expected Credit Losses
AUC	Assets Under Custody	ECAP	Economic Capital
BAC	Business Acceptance Committee	ECB	European Central Bank
BAU	Business as usual	ECM	Embedded Control Management
BaFin	Federal Financial Supervisory Authority / Bundesanstalt für Finanzdienstleistungsaufsicht	EEC	EMEA Executive Committee
BDAS	Broker-Dealer and Advisory Services	EHQLA	Extremely High Quality Liquid Assets
BDF	Banque De France	EMEA	Europe, Middle East and Africa
BEMCO	Belgium Management Council	ERGC	EMEA Remuneration Governance Committee
BI	Banca D'Italia	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
BNY TDUKL	BNY Mellon Trust & Depository (UK) Limited	EWI	Early Warning Indicators
BNYIFC	BNY International Financing Corporation	ExCo	Executive Committee
BRC	Business Risk Committee	FCA	Financial Conduct Authority
CASS	Client Asset Sourcebook Rules	FMUs	Financial market utilities
CBI	Central Bank of Ireland	FRS	Financial Reporting Standard
CCF	Credit Conversion Factor	FSMA	Financial Services and Markets Authority
CEO	Chief Executive Officer	FX	Foreign Exchange
CEF	Critical Economic Function	G-SIFI	Global Systemically Important Financial Institution
CET1	Common Equity Tier 1	GCA	Global Custody Agreement
CGB	CASS Governance Body	GSP	Global Securities Processing
CIS	Collective Investment Scheme	HQLA	High Quality Liquid Assets
CMA	Capital Market Authority	HRCC	Human Resources Compensation Committee
COC	Compensation Oversight Committee	IAS	International Accounting Standards
COOC	CASS Operational Oversight Committee	IASB	International Accounting Standards Board
COREP	Common Reporting	ICA	Internal Capital Assessment
CQS	Credit Quality Steps	ICAAP	Internal Capital Adequacy Assessment Process
CRD	Capital Requirements Directive	ICRC	Incentive Compensation Review Committee
CRM	Credit Risk Mitigation	IFRS	International Financial Reporting Standards
CROC	Credit Risk Oversight Committee	ILAAP	Internal Liquidity Adequacy Assessment Process
CRR	Capital Requirements Regulation	ILG	Individual Liquidity Guidance
CSD	Client Service Delivery	IRRBB	Interest Rate Risk on Banking Book
CSSF	Commission de Surveillance du Secteur Financier	IMMS	International Money Management System
		ISDA	International Swaps and Derivatives Association
		ISM	Investment Services and Markets
		IT	Information Technology

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

Acronym	Description
KRI	Key Risk Indicator
KYC	Know your customer
LCR	Liquidity Coverage Ratio
LERO	Legal Entity Risk Officer
LOB	Line of Business
LOD	Line of Defence
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
P3DH	Pillar 3 Data Hub
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
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

**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

**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

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**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 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

**Pillar 3 Data Hub:** Centralised location for EU institutions to submit their Pillar 3 disclosures.

**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 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 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

Appendix 3 - CRR III references

CRR III ref.	Requirement summary	Compliance ref. applicable at 31 December 2025	Page ref.
<b>Scope of disclosure requirements</b>			
431 (1)	Institutions shall publish Pillar 3 disclosures.	1.3 Article 433/434 CRR III - Frequency, scope and means of disclosures	5
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.	Article 431 Attestation	3
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
<b>Non-material, proprietary or confidential information</b>			
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 III - Non-material, proprietary or confidential information	5
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.		
<b>Frequency of disclosure</b>			
433	Institutions shall disclose information in Article 433a, 433b, 433c and 434. EBA shall publish annual disclosures on its website on the same day institutions publish their financial statements or as soon as possible thereafter. EBA shall publish semi-annual and quarterly disclosures on its website on the same terms.	1.3 Article 433/434 CRR III - Frequency, scope and means of disclosures	5
433a	Large institutions shall disclose the information outlined in this article on an annual, semi-annual and quarterly basis as applicable.		
433b	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
433c	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
<b>Means of disclosure</b>			
434 (1)	Institutions other than small and non-complex institutions shall submit information required under Titles II and III to the EBA. Institutions may continue to publish a standalone document. Institutions may include in their website a link to the EBA website.	1.3 Article 433/434 CRR III - Frequency, scope and means of disclosures	5
434 (2)	Institutions shall submit disclosures required in electronic format to the EBA no later than the date on which they publish their financial statements / reports for the period or as soon as possible thereafter.	1.3 Article 433/434 CRR III - Frequency, scope and means of disclosures	5
434 (3)	Institutions may submit to EBA information required under Article 450 no later than two months after the date on which institutions publish their financial statements for the corresponding year.	N/A	N/A
434 (4)	EBA shall publish on its website disclosures of small and non-complex institutions using Article 430 submissions.	N/A	N/A
434 (5)	Ownership of data and responsibility for accuracy shall remain with institutions. EBA will maintain an archive.	N/A	N/A
434 (6)	EBA shall monitor the number of visits and include related statistics in its annual reports.	N/A	N/A
<b>Risk management objectives and policies</b>			
435 (1)	Institutions shall disclose their risk management objectives and policies.	4 Article 435 CRR III - Risk management objectives and policies	24
435 (1) (a)	Strategies and processes to manage those categories of risks.	4.1 Risk objectives	25
435 (1) (b)	Structure and organisation of the risk management function.	4.2 Risk governance	25
435 (1) (c)	Scope and nature of risk reporting and measurement systems.	4.1 - 4.9	25
435 (1) (d)	Policies for hedging and mitigating risk.	4.3 - 4.9	31
435 (1) (e)	Approved declaration on the adequacy of risk management arrangements.	1 Article 431 CRR III - Disclosure requirements and policies	4
435 (1) (f)	Approved risk statement describing the overall risk profile associated with business strategy.	Risk statement	24
435 (2) (a)	Number of directorships held by directors.	4.2 Risk governance	26
435 (2) (b)	Recruitment policy of Board members, their experience and expertise.	4.2 Risk governance	26
435 (2) (c)	Policy on diversity of Board membership and results against targets.	4.2 Risk governance	26
435 (2) (d)	Disclosure of whether a dedicated risk committee is in place, and number of meetings in the year.	4.2.2 Legal Entity Risk Management	26
435 (2) (e)	Description of information flow on risk to Board.		
<b>Scope of application</b>			
436 (a)	The name of the institution to which this Regulation applies.	Executive summary	3
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.	Table 4: EU LI1 - Differences between the accounting scope and the scope of prudential consolidation and mapping of financial statement categories with regulatory risk categories	15

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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.	Table 5: EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements	17
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.	Table 6: EU PV1 - Prudent valuation adjustments (PVA)	17
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.	N/A	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
<b>Own funds</b>			
437 (a)	Full reconciliation of Common Equity Tier 1 (CET1) items.	Table 3: EU CC2 Reconciliation of regulatory own funds to balance sheet in the audited financial statements	15
437 (b)	Description of the main features of the CET1 and Additional Tier 1 and Tier 2 instruments.	Table 7: EU CCA Main features of regulatory own funds instruments and eligible liabilities instruments	18
437 (c)	Full terms and conditions of all CET1, Additional Tier 1 and Tier 2 instruments.	Appendix 4 - Capital instruments terms and conditions	105
437 (d) (i) 437 (d) (ii) 437 (d) (iii)	Each prudent filter applied. Each deduction made. Items not deducted.	Table 2: EU CC1 Composition of regulatory own funds	12
437 (e)	Description of all restrictions applied to the calculation of Own Funds.	N/A - No restrictions apply.	N/A
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.	N/A
<b>Own funds and eligible liabilities</b>			
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 8: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	19
437a (b)	The ranking of eligible liabilities in the creditor hierarchy.	Table 9: EU TLAC2 Creditor ranking - Entity that is not a resolution entity	20
437a (c)	The total amount of each issuance of eligible liabilities instruments.	Table 8: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	19
437a (d)	The total amount of excluded liabilities.		
<b>Own funds requirements and risk weighted exposure amounts</b>			
438 (a)	Summary of institution's approach to assessing adequacy of capital levels.	3 Article 438 CRR III - Own funds requirements and risk-weighted exposure amounts	21
438 (b)	The amount of the additional own funds requirements based on the supervisory review process.	Table 1: EU KM1 Key metrics template	9
438 (c)	Result of ICAAP on demand from authorities.	N/A	N/A
438 (d)	The total risk exposure amount and the corresponding own funds requirement.	Table 10: EU OV1 Overview of total risk exposure amounts	22
438 (da)	Where required, the un-floored total risk exposure amount and the standardised total risk exposure amount.	N/A	N/A
438 (e)	The on- and off-balance-sheet exposures, the risk-weighted exposure amounts and associated expected losses for each category of specialised lending and equity exposures.	Table 11: EU CR10.5 Equity exposures under Articles 133(3) to (6) and 495a(3) CRR	23
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.	N/A	N/A
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
<b>Exposure to counterparty credit risk (CCR)</b>			
439 (a)	Description of process to assign internal capital and credit limits to CCR exposures.	5.5 Governance	38
439 (b)	Discussion of process to secure collateral and establishing reserves.	7.2 Collateral valuation and management	49
439 (c)	Discussion of management of wrong-way exposures.	8.1 Wrong-way risk	53
439 (d)	Disclosure of collateral to be provided (outflows) in the event of a ratings downgrade.	7.2 Collateral valuation and management	49
		8.1 Wrong-way risk	53
		N/A - A credit downgrade of the European Bank and the associated margining required will be dealt with in line with the contractual agreement in place with the counterparties.	N/A
439 (e)	The amount of segregated and unsegregated collateral received and posted.	Table 23: EU CCR5 Composition of collateral for CCR exposures	52
439 (f)	Exposure values before and after the effect of the credit risk mitigation of derivative transactions.	Table 21: EU CCR1 Analysis of CCR exposure by approach	51
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.	11 Article 445a CRR III - CVA risk	59
439 (i)	Exposure value to central counterparties and the associated risk exposures.	Table 24: EU CCR8 Exposures to CCPs	53
439 (j)	The notional amount and fair value of credit derivative transactions.	N/A	N/A

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439 (k)	Estimate of alpha, if applicable.	N/A	N/A
439 (l)	Separately, the disclosures included in point (e) of Article 444 and point (g) of Article 452.	Table 22: EU CCR3 Standardised approach – CCR exposures by regulatory exposure class and risk weights	52
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.	Table 21: EU CCR1 Analysis of CCR exposure by approach	51
<b>Countercyclical capital buffers</b>			
440 (a)	Geographical distribution of the exposure amounts and risk-weighted exposure amounts of its credit exposure.	Table 16: EU CCYB1 Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	44
440 (b)	Amount of the institution specific countercyclical capital buffer.	Table 17: EU CCYB2 Amount of institution-specific countercyclical capital buffer	46
<b>Indicators of global systemic importance</b>			
441	Disclosure of the indicators of global systemic importance.	N/A	N/A
<b>Credit risk adjustments</b>			
442 (a)	Disclosure of bank's scope and definitions of past due and impaired.	5.7 Analysis of past due and impaired exposures	39
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.	5.6 Analysis of credit risk	39
442 (d)	An ageing analysis of accounting past due exposures.	N/A	N/A
442 (e)	The gross carrying amounts of both defaulted and non-defaulted exposures.	Table 12: EU CQ4 Quality of non-performing exposures by geography	40
442 (f)	Changes in the gross amount of defaulted on- and off-balance-sheet exposures.	Table 15: EU CR1 Performing and non-performing exposures and related provisions	43
442 (g)	The breakdown of loans and debt securities by residual maturity.	Table 13: EU CR1-A Maturity of exposures	41
<b>Unencumbered assets</b>			
443	Institutions shall disclose information concerning their encumbered and unencumbered assets.	9 Article 443 CRR III - Encumbered and unencumbered assets	54
<b>Use of ECAs</b>			
444 (a)	Names of the ECAs used in the calculation of Standardised Approach RWAs, and reasons for any changes.	6 Article 444 CRR III - Use of the Standardised Approach	46
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.	N/A
444 (d)	Mapping of external rating to credit quality steps.		
444 (e)	Exposure value pre and post-credit risk mitigation, by credit quality step.		
<b>Exposure to market risk under the standardised approach</b>			
445 (1)	Institutions that have not been granted permission to use alternative internal model approaches and that use simplified standardised or alternative standardised approaches shall disclose an overview of their trading book positions.	10 Article 445 CRR III - Exposure to market risk	56
445 (2)	Institutions must disclose their total own funds requirements, including for the sensitivities-based method, default risk charge, and residual risks. Broken down by instruments for those methods.	At the reference date the FRTB approach remains non-binding.	N/A
<b>CVA risk</b>			
445a (1)	Institutions must disclose their processes for identifying, measuring, hedging, and monitoring CVA risk. They must also disclose the total number of counterparties using the standardised approach, broken down by counterparty types.	11 Article 445a CRR III - CVA risk	59
445a (2)	Institutions using the standardised approach for CVA risk must disclose their internal CVA risk management structure and governance, total own funds requirements by risk class, and an overview of eligible hedges used, categorized by instrument type.	N/A	N/A
445a (3)	Institutions using the basic approach for calculating CVA risk must disclose their total own funds requirements, along with an overview of eligible hedges, categorized by instrument type.	Table 29: EU CVA1 Credit valuation adjustment risk under the Reduced Basic Approach (R-BA)	59
<b>Operational risk management</b>			
446 (1) (a)	The main characteristics and elements of their operational risk management framework.	12 Article 446 CRR III - Operational risk management	60
446 (1) (b)	Own funds requirement for operational risk equal to the business indicator component.	Table 32: EU OR3 Operational risk own funds requirements and risk exposure amounts	65
446 (1) (c)	The business indicator, and the amounts of each of the BI components, sub-components for three years.	Table 31: EU OR2 Business Indicator, components and subcomponents	65
446 (1) (d)	Amount of the reduction of the BI for each exclusion from the BI.		
446 (2) (a)	Annual operational risk losses for each of the last 10 financial years.	Table 30: EU OR1 Operational risk losses	64
446 (2) (b)	Number of exceptional operational risk events and the amounts of the aggregated net operational risk losses that were excluded for each of the last 10 financial years.		
<b>Key metrics</b>			
447 (a)	Composition of own funds and risk-based capital ratios.	Table 1: EU KM1 Key metrics template	9
447 (a)	Risk-based capital ratios calculated by using un-floored total risk exposure instead of total risk exposure amount.		
447 (b)	The total risk exposure amount, and where applicable, the un-floored 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.		

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447 (f) (iii)	Twelve months averages of the liquidity outflows, inflows and net liquidity outflows for each quarter.	Table 1: EU KM1 Key metrics template	9
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		
447 (h)	Own funds and eligible liabilities ratios and their components, numerator and denominator	Table 8: EU ILAC Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs	19
<b>Exposure to interest rate risk on positions not included in the trading book</b>			
448 (1) (a)	The changes in the economic value of equity calculated under supervisory shock scenarios.	Table 33: EU IRRBB1 Interest rate risks of non-trading book activities	69
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.	N/A - Tests reflect the scenarios outlined in CRD VI Article 98.5a	N/A
448 (1) (d)	An explanation of the significance of the risk measures.	13 Article 448 CRR III - Exposures to interest rate risk on positions not held in the trading book	66
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).	13.1 Identification and measurements	66
448 (1) (e) (iii)	A description of the interest rate shock scenarios used to estimate the interest rate risk.	13.2 Scenarios and risks tested	67
448 (1) (e) (iv)	The effect of hedges against interest rate risks.	13.3 IRRBB management and hedging	68
448 (1) (e) (v)	An outline of how often the evaluation of the interest rate risk occurs.	13.4 Risk management and mitigation techniques	68
448 (1) (f)	The description of the overall risk management and mitigation strategies.	13.3 IRRBB management and hedging	68
448 (1) (g)	Average and longest repricing maturity assigned to non-maturity deposits.	Table 33: EU IRRBB1 Interest rate risks of non-trading book activities	69
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.	N/A	N/A
<b>Exposures to securitisation positions</b>			
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.	14 Article 449 CRR III - Exposures to securitisation positions	70
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.	N/A	N/A
449 (b) (ii)	The risk incurred in relation to transactions originated by third parties.	14.1 Securitisation risk management framework	70
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:	N/A	N/A
449 (d) (i)	SSPEs which acquire exposures originated by the institutions.	N/A	N/A
449 (d) (ii)	SSPEs sponsored by the institutions.	N/A	N/A
449 (d) (iii)	SSPEs and other legal entities for which the institutions provide securitisation-related services.	N/A	N/A
449 (d) (iv)	SSPEs included in the institutions' regulatory scope of consolidation;	N/A	N/A
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.	N/A	N/A
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.	N/A	N/A
449 (g)	A summary of their accounting policies for securitisation activity, including where relevant a distinction between securitisation and re-securitisation positions.	14 Article 449 CRR III - Exposures to securitisation positions	70
449 (h)	The names of the ECAs used for securitisations and the types of exposure for which each agency is used.	14.1 Securitisation risk management framework	70
449 (i)	Where applicable, a description of the Internal Assessment Approach as set out in Chapter 5 of Title II of Part Three.	N/A	N/A
449 (j)	Separately for the trading book and the non-trading book, the carrying amount of securitisation exposures.	Table 34: EU-SEC1 Securitisation exposures in the non-trading book	71
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.	N/A	N/A
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.	Table 35: EU-SEC4 Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor	72
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.	N/A	N/A
<b>Environmental, social and governance risks (ESG risks)</b>			
449a (1)	Institutions shall disclose information on ESG risks, distinguishing environmental, social and governance risks, and physical and transition risks for environmental risks.	18 Disclosure of environmental, social and governance risks (ESG risks)	85

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449a (2)	Institutions shall disclose the total amount of exposures to fossil fuel sector entities, and how institutions integrate ESG risks into their business strategy, governance and risk management.	At the reference date, disclosure remains under consultation pending further amendments to the requirements.	N/A
449a (3)	The EBA shall develop draft implementing technical standards for uniform disclosure formats for ESG risks, ensuring consistency with the principle of proportionality.		
<b>Disclosure of aggregate exposure to shadow banking entities</b>			
449b	Institutions shall disclose the information concerning their aggregate exposure to shadow banking entities, as referred to in Article 394(2), second subparagraph.	At the reference date, disclosure remains under consultation pending further amendments to the requirements.	N/A
<b>Remuneration policy</b>			
450 (1) (a)	Information concerning the decision-making process used for determining the remuneration policy.	19.1 Governance	89
450 (1) (b)	Information about the link between pay of the staff and their performance.	19.2 Aligning pay with performance	89
450 (1) (c)	Important design characteristics of the remuneration system.	19.1 Governance	89
450 (1) (d)	The ratios between fixed and variable remuneration.	19.5 Ratio between fixed and variable pay	90
450 (1) (e)	Information on the performance criteria on which the entitlement to shares, options or variable components of remuneration is based.	19.6 Deferral policy and vesting criteria	91
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.	Table 46: EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)	94
450 (1) (h) 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)	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	19.8 Quantitative disclosures	92
450 (1) (i)	Number of individuals that have been remunerated EUR 1 million or more per financial year.	Table 45: EU REM4 - Remuneration of 1 million EUR or more per year	94
450 (1) (j)	Upon demand from the relevant Member State or competent authority, the total remuneration for each member of management or senior management.	N/A	N/A
450 (1) (k)	Information on whether the institution benefits from a derogation laid down in Article 94(3) of Directive 2013/36/EU.	N/A	N/A
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.	N/A	N/A
<b>Leverage ratio</b>			
451 (1) (a)	Leverage ratio.	Table 37: EU LR2 Leverage ratio common disclosure	74
451 (1) (b)	Breakdown of total exposure measure.	Table 36: EU LR1 Summary reconciliation of accounting assets and leverage ratio exposures	74
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);	Table 37: EU LR2 Leverage ratio common disclosure	74
451 (1) (d)	Description of the process used to manage the risk of excessive leverage.	N/A	N/A
451 (1) (e)	Description of the factors that had an impact on the leverage ratio.	Table 37: EU LR2 Leverage ratio common disclosure	74
451 (1) (f)	Amount of additional own funds requirements based on the supervisory review process to address the risk of excessive leverage and its composition.		
451 (2)	Public development credit institutions shall disclose the leverage ratio without the adjustment to the total exposure measure.	N/A	N/A
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).	Table 37: EU LR2 Leverage ratio common disclosure	74
<b>Liquidity requirements</b>			
451a (1)	Disclose information on liquidity coverage ratio, net stable funding ratio and liquidity risk management.	16 Article 451a CRR III - Liquidity requirements	77
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.	Table 39: EU LIQ1 Quantitative information of LCR	79
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.		
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.	Table 41: EU LIQ2 Net Stable Funding Ratio	81
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.	16 Article 451a CRR III - Liquidity requirements	77
<b>Crypto-asset exposures and related activities</b>			
451b (1)	Institutions shall disclose the following information on crypto-assets and crypto-asset services as well as any other activities related to crypto-assets:	17 Article 451b CRR III - Disclosure of crypto-asset exposures and related activities	84

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451b (1) (a)	The direct and indirect exposure amounts in relation to crypto-assets, including the gross long and short components of net exposures;	N/A	N/A
451b (1) (b)	The total risk exposure amount for operational risk		
451b (1) (c)	The accounting classification for crypto-asset exposures		
451b (1) (d)	A description of the business activities related to crypto-assets and their impact on the risk profile of the institution.	17 Article 451b CRR III - Disclosure of crypto-asset exposures and related activities	84
451b (1) (e)	a specific description of their risk management policies related to crypto-asset exposures and crypto-asset services		
451b (2)	Institutions shall not apply the exception laid down in Article 432 for the purposes of the disclosure requirements laid down in paragraph 1 of this Article.	N/A	N/A
<b>Use of the IRB approach to credit risk</b>			
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.	N/A	N/A
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.	N/A	N/A
452 (d)	The role of the functions involved in the development, approval and subsequent changes of the credit risk models.	N/A	N/A
452 (e)	The scope and main content of the reporting related to credit risk models.	N/A	N/A
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.	N/A	N/A
452 (g)	As applicable, information relating to each exposure class referred to in Article 147.	N/A	N/A
452 (h)	Institutions' estimates of PDs against the actual default rate for each class over a longer period.	N/A	N/A
<b>Use of credit risk mitigation techniques</b>			
453 (a)	Use of on- and off-balance sheet netting.	7.1 Netting	49
453 (b)	How collateral valuation is managed.	7.2 Collateral valuation and management	49
453 (c)	Description of types of collateral used.		
453 (d)	Types of guarantor and credit derivative counterparty, and their creditworthiness.	N/A - BNY Mellon'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.	7.4 Credit concentration risk	50
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.	Table 20: EU CR3 CRM techniques overview: Disclosure of the use of credit risk mitigation techniques	50
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.	Table 18: EU CR4 Standardised approach – Credit risk exposure and CRM effects	47
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
<b>Use of the Advanced Measurement Approaches to operational risk</b>			
454	Description of the use of insurance or other risk transfer mechanisms to mitigate operational risk.	N/A Pillar 1 : standardised approach Pillar 2 : self-assessment approach	N/A
<b>Use of internal models for market risk</b>			
455	Institutions calculating their capital requirements using internal market risk models.	N/A	N/A

## **Appendix 4 - Capital instruments terms and conditions**

This is a translation from French to English, for your information only. In case of discrepancy between the French and the English versions, only the French version shall be valid.

"The Bank of New York Mellon"  
Public Limited Liability Company  
Rue Montoyer, number 46 at 1000 Brussels

VAT BE 0806.743.159 RLE Brussels

INCORPORATION: deed executed by the undersigned Notary on thirty September two thousand and eight, published in extract form in the Annexes to the Belgian Official Gazette of the following nine October under number 20081009/160324.

MODIFICATION OF THE ARTICLES OF ASSOCIATION: deed executed by Mr Bertrand Nerinx, associated Notary on twenty seven April two thousand and nine, published in extract form in the Annexes to the Belgian Official Gazette the following eight May under number 2009-05-08/0065306.

MODIFICATION OF THE ARTICLES OF ASSOCIATION: deed realizing a capital increase executed by Mr Bertrand Nerinx, associated Notary on thirty September two thousand and nine (opening of the meeting) and on first October two thousand and nine (closing of the meeting), published in extract form in the Annexes to the Belgian Official Gazette of twelve October 2009 under number 2009-10-12/0142895.

MODIFICATION OF THE ARTICLES OF ASSOCIATION: deed executed by Mr Bertrand Nerinx, associated Notary in Brussels on second December two thousand eleven, published in extract form in the Annexes to the Belgian Official Gazette the following twenty-two December under number 2011-12-22/0191941.

MODIFICATION OF THE ARTICLES OF ASSOCIATION: deed executed by Mr Bertrand Nerinx, associated Notary in Brussels on 31 January 2013, realizing a capital increase as result of the merger by acquisition of "The Bank of New York Mellon (Ireland) Limited", the modifications of the Articles of Association being effective as of 1 February 2013, in the process of being published.

MODIFICATION OF THE ARTICLES OF ASSOCIATION: deed executed by Mr Bertrand Nerinx, associated Notary in Brussels on 24 March 2017, realizing a capital increase as result of the merger by acquisition of "The Bank of New York Mellon (Luxembourg) S.A.", the modifications of the Articles of Association being effective as of 1 April 2017, in the process of being published.

### **COORDINATED VERSION OF THE ARTICLES OF ASSOCIATION**

#### TITLE ONE - LEGAL FORM

##### **ARTICLE 1 - NAME**

The company is incorporated under the legal form of a public limited liability company ("société anonyme"). It is named "The Bank of New York Mellon".

In all written documents issued by the company, the name must be preceded or followed immediately by the words "société anonyme" or the initials "SA".

##### **ARTICLE 2 - REGISTERED OFFICE**

The registered office of the company is established at 1000 Brussels, Rue Montoyer, number 46.

The registered office may be transferred to any other location in the Region of Brussels Capital or in the French speaking region by simple decision of the board of directors, which is fully empowered to have a deed executed to enact the modification to the articles of association resulting therefrom.

The company may, by simple decision of the board of directors, establish administrative offices, branches and agencies in Belgium or abroad.

##### **ARTICLE 3 - PURPOSE**

Subject to the authorization as a Belgian credit institution being obtained from the Banking, Finance and Insurance Commission (CBFA), the purpose of the company is the carrying out of all banking and savings activities pursuant to Article 3 § 2 of the Law of 22 March 1993 on the legal status and supervision of credit institutions, and more particularly to receive deposits in cash, financial instruments and other assets, to extend credits in any form whatsoever, to conclude any transactions relating to currencies, financial instruments and precious metals, to provide all financial and administrative services, as well as to hold interests in other companies and to carry out all other financial, movable and immovable transactions which directly or indirectly relate to its purpose or facilitate its achievement.

##### **ARTICLE 4 - TERM**

The company is incorporated for an indefinite term.

It can be dissolved by decision of the shareholders' meeting deciding under the conditions required for the modification of the articles of association.

#### TITLE TWO - CAPITAL - SHARES

##### **ARTICLE 5 - CAPITAL**

The subscribed and entirely paid up share capital amounts, since 1 April 2017 to one billion seven hundred and twenty three million four hundred and eighty five thousand five hundred and twenty six Euros and twenty one cents (EUR 1,723,485,526.21). It is represented by one million six hundred and seventy-two thousand and seventeen (1,672,017) shares, without par value, representing each one million six hundred and seventy-two thousand and seventeenth (1/1,672,017<sup>th</sup>) of the statutory capital.

##### **ARTICLE 6 - MODIFICATION OF CAPITAL**

The capital may be increased or reduced by decision of the shareholders' meeting under the conditions laid down by law.

In case of capital increase to be subscribed in cash, the new shares must be offered by priority to the shareholders in proportion to the capital represented by their shares and subject to the special regime of shares without voting rights.

The exercise of the preferential subscription right is organized in accordance with the legal provisions.

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

The shareholders' meeting may, in the company's interest, under the quorum and majority conditions required for the modification of the articles of association and in compliance with the legal provisions, restrict or remove the preferential subscription right.

If, upon a capital increase, an issue premium is requested, this premium will be recorded in the books of the company in a non-available "issue premium" account that will constitute a guarantee to the benefit of third parties to the same extent as the capital and which cannot be disposed of, except for the possibility of conversion to equity, in accordance with the conditions provided in Article 612 of the Companies Code.

## ARTICLE 7 - CALLS ON SHARES

Calls for funds are determined by the board itself.

Any payments called are apportioned among all the shares which the shareholder holds. The board may allow the shareholders to pay up their shares in advance, in which case it determines any conditions under which such advance payments are allowed. Advance payments are considered as cash advances.

A shareholder who, after a formal notice sent by registered mail, does not fulfill a request for funds must pay the company interest calculated at the legal interest rate as from the date the payment was due.

The board may also, after a second notice remains unsuccessful within a month of its date, order the forfeiture of the shareholder and have his/her/its shares sold, without prejudice to the right to claim the outstanding balance and any damages. The net proceeds of the sale shall be charged against what is owed by the defaulting shareholder, who shall remain liable for the difference or shall benefit from the surplus.

The exercise of the voting rights attached to shares on which payments have not been made is suspended for as long as such payments regularly called and payable have not been made.

## ARTICLE 8 - AUTHORIZED CAPITAL

The board of directors is authorized to increase the capital, in accordance with the law, in one or more times up to an amount of two billion Euros (EUR 2,000,000,000.00) (by contribution in cash or in kind, or by converting reserves with or without emission of new shares). This authorization is valid for a period of five years from the publication of the document evidencing such authorization. The authorization is renewable.

This authorization includes the power for the board of directors to have the resulting amendments to the articles of association passed in a deed.

In case of capital increase by the board of directors by means of the authorized capital:

- (i) the board of directors may not decide on an increase mainly achieved through a contribution in kind exclusively reserved to a shareholder who holds shares in the company to which more than ten per cent of the votes are attached;
- (ii) the board may decide to issue convertible bonds and subscription rights;
- (iii) the board of directors is entitled to limit or suppress the preferential subscription right of the shareholders under the same conditions as those applicable to the general meeting;
- (iv) the board of directors has the right to limit or remove the preferential subscription right in favor of one or more specific persons who are not employees of the company or any of its subsidiaries. In this case the requirements of the Companies Code must be complied with.

## ARTICLE 9 - AMORTIZATION OF CAPITAL

The shareholders' meeting may decide by a simple majority vote the amortization of the subscribed capital by using the portion of the profits which may be distributed, without a capital reduction. The shareholders whose shares have been amortized shall retain their rights in the company, except for the right to a refund of their contributions and to a first dividend allocated to the non-amortized shares, fixed at five percent (5%) of the fully paid-up capital they represent, and obtain securities representing rights in the company.

### TITLE THREE - SHARES

## ARTICLE 10 - NATURE OF THE SHARES

The shares are registered.

Any transfer of shares shall be effective after registration in the register of shares.

The transfer of shares is not subject to any restriction.

The same rules apply in case of transfer of bonds whether convertible or not and of subscription rights issued by the company.

## ARTICLE 11 - ISSUE OF BONDS

The company may issue bonds, linked to mortgages or other, by decision of the board of directors, which determines the type and fixes the interest rate, method and timing of reimbursements, special guarantees and other conditions of the issue.

However, without prejudice to article 8, when issuing convertible bonds or bonds with subscription rights and in case of issue of subscription rights whether or not attached to another security, the decision is taken by the shareholders' meeting deciding under the conditions provided by law for the modification to the articles of association.

The shareholders' meeting may, in the interest of the company, restrict or remove the preferential subscription right in accordance with the requirements for the modification of the articles of association.

## ARTICLE 12 - SHARES WITHOUT VOTING RIGHTS

The company may issue shares without voting rights. Shares without voting rights confer the right to a preferential and recoverable dividend, a preferential right to the repayment of the capital contribution and a right in the distribution of the liquidation proceeds. These rights will be determined upon each issue of shares without voting rights.

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Shares with voting rights can be converted into shares without voting rights. The board of directors may determine the maximum number of shares to be so converted and the conversion conditions.

The company may require the purchase of its own shares without voting rights by decision of the shareholders' meeting deliberating under the conditions provided for a reduction of the capital, from those shareholders holding shares with or without voting rights.

## TITLE FOUR - MANAGEMENT AND SUPERVISION

### ARTICLE 13 - COMPOSITION OF THE BOARD OF DIRECTORS

The company is managed by a board of at least three members, natural or legal persons, shareholders or not, appointed by the shareholders' meeting for a maximum term of six years (after obtaining a concurring opinion from the National Bank of Belgium, if necessary and in line with legal requirements) and which may be revoked at any time by the shareholders' meeting. To the extent it is legally admissible, the outgoing directors can be re-elected.

In case a legal person is appointed as a director, it must appoint amongst its shareholders, managers, directors or employees, a permanent representative to take care of the director's duties in the name and for the account of the legal person. The appointment and the termination of the functions of the permanent representative are subject to the same rules of publication as if the representative would exercise this mission in its own name and for its own account.

The mandate of outgoing and non-re-elected directors terminates immediately after the shareholders' meeting deciding on the appointments.

In addition to the reimbursement of their costs, the shareholders' meeting may decide to grant a fixed remuneration to the directors, the amount of which will be determined each year by the shareholders' meeting and which will be booked as a general expense of the company. In addition, the shareholders' meeting may grant *tantièmes* (directors' fees, percentage of the profits) to the directors from the available profits of the financial year.

### ARTICLE 14 - VACANCY

In the case of vacancy within the board of directors because of death, resignation or other cause, the remaining directors have the right to temporarily fill the vacancy until the next annual general shareholders' meeting. In this case, the annual general shareholders' meeting appoints a replacement at its first meeting. The director appointed under the above conditions to replace a director completes the term of the director he/she/it replaces.

### ARTICLE 15 - CHAIR

The board of directors may elect a chairperson amongst its members.

In the event of absence or impediment of the chairperson, the board appoints one of its members to replace him/her.

### ARTICLE 16 - MEETINGS

The board of directors meets upon notice of its chairperson or in case of impediment of the latter, her/his substitute. The board of directors also meets each time the interest of the company requires it or each time at least two directors or the chair of the executive committee request it.

The meetings are held at the location indicated in the notices.

If all members of the board are present or represented, the prior notice must not be justified. The presence of a director at a meeting covers the possible irregularity of the notice and entails a waiver of the right to complain in this respect.

### ARTICLE 17 - COMPANY SECRETARY

The board of directors may appoint a company secretary. The company secretary shall, in the name of the board of directors and under its authority, convene the general shareholders' meetings and the meetings of the board of directors and shall act as secretary of these meetings.

### ARTICLE 18 - DELIBERATIONS

The board may validly deliberate and decide if at least half of its members are present or represented.

The meetings of the board are held in person. The meetings of the board may also be held by telephone or video conference. In this event, the meeting of the board is deemed to be held at the registered office of the company.

Any director can give a power of attorney to one colleague, in writing or by any other means of (tele)communication having a physical support, to represent him/her at a given meeting of the board and to vote in his/her stead.

In extraordinary circumstances duly justified by urgency and the company's interest, the decisions of board of directors can be taken by the unanimous consent of the directors, expressed in writing. This procedure cannot however be used for the finalization of the annual accounts or in order to use the authorized capital.

The decisions of the board of directors are taken by a simple majority vote, without taking the abstentions into account. In the event of a tie, the vote of the person who chairs the meeting is decisive. However, if the board is composed of only two directors, the vote of the chairperson ceases to be decisive.

Without prejudice to the exceptions mentioned in the Companies Code, a director who has directly or indirectly a financial interest conflicting with a decision or transaction falling within the competence of the board of directors, must inform the other directors prior to the deliberation of the board of directors. The provisions of Article 523 of the Companies Code must be taken into account.

### ARTICLE 19 - MINUTES

The deliberations of the board of directors are recorded in minutes signed by the chair of the meeting and by the directors who wish so. These minutes are inserted in a special register.

Delegations, as well as the opinions and votes submitted in writing, by telegram, telex, fax, e-mail or other printed documents are appended.

Copies or extracts of the minutes to be produced in court or elsewhere shall be validly authenticated if signed by the chairperson or the board of directors, two directors or the company secretary.

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## ARTICLE 20 - POWERS OF THE BOARD

The board of directors may perform all acts necessary or useful for the achievement of the corporate purpose, except those reserved to the shareholders' meeting by law or by the articles of association.

## ARTICLE 21 - ADVISORY COMMITTEES

The board of directors may create advisory committees within the board and under its responsibility. It describes their composition and their mission.

## ARTICLE 22 - EXECUTIVE COMMITTEE

In accordance with Article 524bis of the Companies Code and the Article 26 of the Act of March 22, 1993 relating to the status and the supervision of credit institutions, the board of directors may delegate its management powers to an executive committee, provided that this delegation does not include the power to decide on the general policy of the company or the entirety of the acts reserved to the board of directors pursuant to other provisions of the law.

The executive committee is composed of at least two members and constitutes a board whose all members are also members of the board of directors. The president of the executive committee is appointed by the board of directors after consultation of the National Bank of Belgium.

Any member of the executive committee may grant to any other member of said committee whatsoever, in writing or by any other means of (tele)communication having a physical support, a power to represent him/her at a given meeting of this committee and to vote in his/her stead.

The board of directors must supervise this committee.

The appointment conditions of the members of the executive committee, their dismissal, their remuneration, the term of their appointment and the functioning of the executive committee, shall be determined by the board of directors.

If a member of the executive committee has a direct or indirect conflicting interest of a financial nature in a decision or a transaction within the competence of the executive committee, it must notify it to the other members prior to the deliberation of the committee. The provisions of Article 524ter of the Companies Code must be taken into account.

## ARTICLE 23 - DAILY MANAGEMENT

In the course of its duties, the executive committee may delegate the daily management of the company as provided for in Article 525 of the Companies Code, the management of one or more transactions of the company, or the implementation of the decisions of the executive committee or of the board of directors to one or more persons, whether a director or not. It may revoke the delegations so conferred.

## ARTICLE 24 - SPECIAL DELEGATES

The board of directors as well as the executive committee and those appointed for the daily management may also, each within the course of their duties, delegate special powers to one or more persons of their choice, acting individually or jointly.

The board of directors, the executive committee and those appointed for the daily management, as the case may be, may at any time revoke the persons and powers that they conferred pursuant to the preceding paragraph.

## ARTICLE 25 - REPRESENTATION - OFFICIAL DEEDS AND LEGAL ACTIONS

The company is validly represented, including for deeds and in litigation:

- either by two directors acting jointly;
- or by one director acting alone if he/she is also member of the executive committee;
- or, but within the limits of the daily management, by the person or persons delegated to this daily management, acting jointly or severally.

These representatives do not need to justify vis-à-vis third parties of a prior decision of the board of directors or of the executive committee.

Furthermore, the company is validly bound by special delegates within the limits of their mandate.

## ARTICLE 26 - CONTROL

The control of the financial situation, of the annual accounts and of the regularity of the transactions to be reported in the annual accounts must be entrusted to one or more statutory auditors, members of the Institute of Chartered Accountants ("*Institut des Réviseurs d'Entreprises*"), appointed by the shareholders' meeting for a renewable term of three years.

## TITLE FIVE - GENERAL MEETINGS OF SHAREHOLDERS

### ARTICLE 27 - COMPOSITION AND POWERS

The shareholders' meeting is composed of all the owners of shares who are entitled to vote by themselves or through proxy holders, subject to having complied with any applicable legal requirements or provisions of the articles of association. Bondholders and holders of subscription rights are entitled to participate in the meeting subject to the same conditions but only in an advisory capacity.

Decisions duly adopted by the shareholders' meeting bind all the shareholders even absent or dissenting ones.

### ARTICLE 28 - MEETING

The annual shareholders' meeting statutorily meets on the last Tuesday of the month of May at 4 (four) PM. If this day is a legal holiday, the meeting is held the following business day.

Except for decisions to be recorded in a deed, the shareholders may unanimously take in writing all decisions which fall within the powers of the shareholders' meeting.

An extraordinary shareholders' meeting can be convened each time the interest of the company so requires.

Shareholders' meetings may be convened by the board of directors or by the statutory auditors and must be so convened upon the request of shareholders representing together one fifth of the statutory capital.

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## ARTICLE 29 - CONVENING NOTICES

Shareholders' meetings are held at the statutory office of the company or at any other place in Belgium, stated in the convening notice to the meeting.

The convening notices to any shareholders' meeting shall contain the agenda, which includes an indication of the topics to be handled and are sent in accordance with the law.

Any person may waive this notice and, in any case, be regarded as having been duly called if he/she/it is present or represented at the meeting.

If the written procedure is used pursuant to Article 536 of the Companies Code, the board will send a circular by mail, fax, e-mail or any other medium, with reference to the agenda and proposals for decisions, to all the shareholders and the auditors, if any, asking the shareholders to approve the proposed decisions and to return the circular duly signed within the term stated therein, to the company's statutory office or to any other place indicated in the circular.

The decision must be regarded as not having been taken, if all shareholders do not approve all items on the agenda and the written procedure, within the aforementioned term.

Shareholders, bondholders, holders of subscription rights or holders of registered certificates are entitled to be informed of the decisions taken at the registered office of the company.

## ARTICLE 30 - ADMISSION TO THE MEETING

The board of directors may require that the shareholders and bondholders inform it in writing (by letter or proxy), at least three days prior to the meeting, of their intent to attend the meeting and that the shareholders specify the number of shares for which they intend to participate in the vote.

If the board of directors uses this right, it must be mentioned in the notices calling for the meeting.

A list of attendance mentioning the name of the shareholders and the number of shares they hold is signed by each of them or by their proxies prior to joining the meeting.

## ARTICLE 31 - REPRESENTATION

Any owner of securities may be represented at the shareholders' meeting by a representative, proxy holder, whether a shareholder or not. A proxy holder may represent more than one shareholder.

The board or the company secretary may adopt the form of proxy and require that they be deposited at the place indicated by it within the term it sets.

Co-owners as well as pledgors and pledgees must be represented by one single person.

## ARTICLE 32 - BUREAU

All shareholders' meetings are chaired by the chairperson of the board or in his/her absence, by another director.

The chairperson may appoint a secretary. If the number of shareholders present allows it, the meeting may choose one or more tellers from amongst its members.

## ARTICLE 33 - POSTPONEMENT OF THE MEETING

Every shareholders' meeting, whether annual or special, may be postponed forthwith for three more weeks by the board of directors. The postponement cancels all decisions taken.

The formalities complied with to attend the first meeting and the proxies will remain valid for the second meeting, without prejudice to the right to comply with these formalities for the second meeting in the event they have not been complied with for the first one.

The second meeting decides on the same agenda. Its decisions are final.

## ARTICLE 34 - RIGHT TO VOTE

Each share gives right to one vote.

## ARTICLE 35 - DELIBERATION OF THE SHAREHOLDERS' MEETING

Except in the cases provided by law, decisions are taken, irrespective of the number of shares represented at the meeting, with a simple majority of the votes validly exercised, disregarding abstentions.

The votes are expressed by show of hands or by calling of names unless the shareholders' meeting decides otherwise by a majority vote.

## ARTICLE 36 - SPECIAL MAJORITY

Whenever the shareholders' meeting must decide on an increase or decrease of the statutory capital, on a de-merger or a merger of the company with other entities, on the winding up or any other modification to the articles of association, it can only deliberate if the purpose of the proposed modifications is specifically mentioned in the notices and if those attending the meeting represent at least one half of the statutory capital.

If this last condition is not met, a new notice is necessary and the second meeting will validly deliberate whatever the portion of the capital represented.

No modification is valid if it is not adopted with a three quarters majority vote.

However, when the deliberation concerns the modification of the corporate purpose, the modification of the respective rights of categories of securities, the winding up of the company resulting from a reduction of the net assets to an amount which is less than one half or one quarter of the capital, the transformation of the company, or a merger, a de-merger, the contribution of universality or of a branch of activity, the meeting is validly constituted and may decide only with the quorum of attendance and the majority of votes required by law.

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

## ARTICLE 37 - MINUTES

The minutes of the shareholders' meeting are signed by the members of the bureau and the shareholders who request it. Copies or extracts of minutes of the shareholders' meeting to be produced in court or elsewhere shall be validly authenticated if signed by two directors or by an executive director.

## TITLE SIX - ANNUAL ACCOUNTS - DISTRIBUTION

### ARTICLE 38 - FINANCIAL YEAR

The financial year starts on the first of January and ends on the thirty first of December of each year.

### ARTICLE 39 - VOTE ON THE ANNUAL ACCOUNTS

The annual shareholders' meeting decides on the annual accounts.

Once the annual accounts are adopted, the meeting decides by special vote on the release to be granted to the directors and to the auditor(s).

### ARTICLE 40 - DISTRIBUTION

The profits are determined in accordance with the law. Each year, five percent will be deducted from the profits to constitute the legal reserve. This deduction ceases to be mandatory when this legal reserve fund reaches one tenth of the statutory capital. It must start again if the legal reserve is being used.

The balance is allocated by the shareholders' meeting deciding upon proposal of the board of directors according to the law.

### ARTICLE 41 - PAYMENT OF DIVIDENDS

The payment of dividends, if any, is made annually, at the time and the place indicated by the board of directors, in one or several times.

The board of directors may, under its responsibility, decide the payment of interim dividends by deducting them from the profits of the current financial year. It determines the amount of these interim dividends and their payment date.

## TITLE SEVEN - DISSOLUTION AND LIQUIDATION

### ARTICLE 42 - LIQUIDATION

In case of dissolution of the company for any reason and at any time whatsoever, the liquidation is carried out by the liquidator(s) appointed by the shareholders' meeting or, failing such appointment, by the board of directors in office at that time and acting as a liquidation committee.

For this purpose, the liquidators have the widest powers conferred by law.

The shareholders' meeting shall, where appropriate, determine the remuneration of the liquidator(s).

### ARTICLE 43 - DISTRIBUTION

After settlement of the debts and of the expenses of the liquidation or consignment of the amounts required for this purpose,- the net assets shall first be applied to reimburse, in cash or in securities, the paid up amount on the shares.

If not all shares are paid up in the same proportion, the liquidators, before proceeding with any distribution, will take into account this diversity of situation and re-establish the balance by calling funds or by proceeding with a prior distribution. The balance shall be distributed equally among all shares.

## TITLE EIGHT - GENERAL PROVISIONS

### ARTICLE 44 - ELECTION OF DOMICILE

For the enforcement of these articles of association, all shareholders, bondholders, directors, auditors, managers or liquidators residing abroad, elect domicile at the statutory office where all communications, summonses, subpoenas and notifications can be validly made.

### ARTICLE 45 - JURISDICTION


For all disputes between the company, its shareholders, bondholders, directors, auditors and liquidators relating to the affairs of the company and the enforcement of these articles of association, exclusive jurisdiction is granted to the courts of the statutory office, unless the company expressly waives such jurisdiction.

### ARTICLE 46 - LEGAL PROVISIONS

The company intends to fully comply with the law. Consequently, the legal provisions which would not be legally waived, shall be deemed part of these articles of association while clauses contrary to mandatory provisions of the law are deemed unwritten.

For lawful co-ordination on [•]

I, Nathalie Ryckaert, Secretary General of The Bank of New York Mellon SA/NV do hereby certify that the document is a true and correct copy of the original which I have examined. Brussels, Belgium, this

21 June  




The Bank of New York Mellon SA/NV

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