

The Bank of New York (Frankfurt Branch) 2024 Remuneration Policy Statement

A. Introduction/Purpose

This remuneration policy statement ("the Policy Statement") complements and specifies the Global Compensation Philosophy and Principles of The Bank of New York Mellon Corporation, which is attached as Annex I to this Policy Statement

The Policy Statement aims at implementing the following remuneration guidelines ("the Guidelines"):

- EU Directive 2013/36/EU as amended by EU Directive 2019/878/EU ("CRD V"); any other EU directives and regulations that have remuneration guidelines and apply to the Frankfurt branch of the Company
- The EBA guidelines on sound remuneration policies (EBA/GL/2021/) and technical standards as well as instructions from the national regulatory authority implementing the aforementioned directives; and
- German laws and regulations implementing aforementioned European Directives, or otherwise regulating compensation within German branches of credit institutions incorporated outside the EEA, including the Ordinance on the Supervisory Requirements for Institutions' Remuneration Systems 'Institutsvergütungsverordnung' in its most current version (IVV 4.0) which came into effect on 25th September, 2021 together with the relevant statutory rules included in the German Banking Act ("German Remuneration Regulation").

The Policy Statement is governed by the Management Committee of the Frankfurt Branch of the Company, except that the members of the Management Committee cannot influence directly or indirectly any decisions on their compensation or its payout mix.

The Policy Statement also sets out the manner in which existing remuneration plans are contributing to sound and effective risk management.

B. Applicability and Scope

1. Covered entities

The Policy Statement is applicable to the Frankfurt branch of the Company ("the Frankfurt Branch").

The Policy statement does not override or replace any of the existing policies of the Company. However, the Policy Statement will prevail over any policy or practice of the Frankfurt Branch that is in contradiction with this Policy Statement.

2. Staff

The Policy Statement is applicable to the remuneration of staff employed by or seconded to the Frankfurt Branch as well as outsourced functions, unless it is established that a staff member or outsourced staff, by their function and responsibilities, must be governed by the laws and regulations of another EEA Member State.

Specific remuneration rules apply to Branch Managers of the Frankfurt Branch ("BMs") as set out in the Policy Statement below.

3. Significance

The Frankfurt Branch does not qualify as a "significant institution" for the purpose of the German Remuneration Regulation. Its average balance sheet value during the previous four (4) fiscal years remains below the EUR 15 billion threshold. Also, the national regulator (BaFin) has not determined the Frankfurt Branch to be "significant". Further, the Frankfurt Branch does not qualify as a "qualified non-significant CRR-institution" according to Sec. 1 (3) s. 2 IVV, since the Frankfurt Branch does not fulfil any of the case groups

under Sec. 1 (3) s. 2 IVV. Consequently, the Frankfurt Branch is not subject to the additional requirements of the German Remuneration Regulation, including deferral and clawback of variable remuneration as well as taking into account the success of the institution or group as a whole and the contribution of the individual employee and its business unit.

C. Remuneration

1. Fixed Remuneration

Fixed remuneration is composed of (i) salary, (ii) any additional amounts and allowances paid as a result of individual contract obligations, (iii) amounts paid pursuant to collective agreements with the Works Council, or as a result of market practice, (iv) any benefits in kind which are awarded as a result of the employment relationship rather than the performance within the job and are based on rules that apply to all staff in the same situation, and, (v) contributions into systems that aim to cover for the risks of retirement, death in service, disability etc.

The fixed remuneration of an employee of the Frankfurt Branch 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 in the variable remuneration, including a zero variable remuneration.

The Company recognizes the need to attract and retain qualified talent to hold key positions within the Company. The Company has implemented a grading system that ranks all jobs in a level, depending on the complexity of the job and the level of responsibility. The fixed remuneration of each job holder is regularly compared to the fixed remuneration bracket generally paid in the local market for that level of job.

All elements of fixed remuneration are independent from corporate, business or individual performance. Employees of the Frankfurt Branch who have accepted to a supervisory board role at another entity of the Company are not remunerated in their capacity as a director.

2. Variable Remuneration

All staff who are employed by, or seconded to, the Frankfurt Branch are eligible to receive variable remuneration, in application of variable compensation plans in existence in the Frankfurt Branch and/or in the Company. All staff of the Frankfurt Branch are restricted to a maximum variable remuneration of 200% of fixed remuneration, as approved by the shareholder through the Human Resources and Compensation Committee ("HRCC"), see Annex 2 to the Policy Statement. For members of staff in control functions who, because of their job role, may have a material impact on the risk profile of the Frankfurt Branch and, consequently are identified as risk takers, the maximum ratio of variable pay to fixed pay will be 100%.

The Compensation Oversight Committee has oversight of all incentive plans including sound risk management, effective controls and strong governance. (For further information refer to section D. Governance) Variable compensation plans are designed to reward performance at the corporate, business line (where relevant) and individual level. The performance management program (PMP) of the Company includes goal plans on Power Our Culture, Embodying a Strong Risk Culture, and Results-Based goals. An employee's performance is assessed against all these objectives. Selected individuals may also be assessed against climate and/or environmental goals. Risk outcomes identified in the PMP that result in a negative impact to the Company are being considered when the incentive compensation of an employee is being determined. Negative contributions result in incentive adjustments or, depending on the scope of the impact, can even result in a zero incentive.

Awards under variable compensation plans will be subject to deferral of a certain part of the award, depending on the level of the individual and the value of the award ("Corporate Deferral Rules"). If the recipient is a BM, the Corporate Deferral Rules are superseded by the pay-out and deferral requirements set out by the provisions mentioned below under heading "Regulatory Deferral Rules (BMs)".

BM's will have 60% of their variable remuneration deferred regardless of value.

3. Documentation

All remuneration components granted to staff are being reviewed against the above definitions and accordingly be documented as part of the fixed or variable remuneration.

4. Regulatory Deferral Rules (BMs)

The variable remuneration of BMs is subject to the following rules:

- i. At least 60% of variable remuneration is deferred for at least 3 years
- ii. At least 50% of variable remuneration is delivered in shares and are subject to a 1 year sales retention period after vesting.
- iii. BMs are included in the Risk Culture Scorecard ("RCSS") process of the Company in order to comply with the risk adjustment requirements (see section: *b) Risk Adjustment of Variable Remuneration Ex Ante*).

All equity and deferred cash awards will be subject to the applicable rules of the BNY long term incentive or deferred cash plan under which they are delivered and the General Incentive Plan Terms and Conditions.

a) Instruments for Variable Remuneration

The portion of variable remuneration granted under the form of equity or equivalent instruments will be granted under the form of RSUs representing the value of one share of Common Stock of the Company ("BK Stock"). Upon vesting, the RSUs are converted into real BK Stock. BK Stock value is listed on the New York Stock Exchange under ticker "BK".

b) Risk Adjustment of Variable Remuneration - ex ante

Variable Remuneration in terms of incentive compensation is risk adjusted for all current and future risks that the Frankfurt Branch can incur, at both the macro and the individual level.

At the level of the individual awards, the awards for MRTs are, prior to grant, reviewed in light of any risk elements that have come to light as a result of input from the quantified results of the RCSS process. The RCSS provides a systematic, detailed and documented process for assessing MRTs' risk performance. A poor RCSS score will result in a negative risk adjustment to be applied to an employee's variable compensation.

c) Risk Adjustment of Variable Remuneration - ex post

The Company may decide to apply forfeiture or malus to unvested deferred awards or clawback to already vested awards. Malus can be applied as long as awards are not vested. Clawback can be applied for a period of three years after payment of cash awards, and for a period of four years after vesting of awards in instruments. Such actions will be considered in the following situations:

- the employee participated in or was responsible for conduct which resulted in significant losses to the Company;
- the employee failed to meet appropriate standards of fitness and propriety;
- there is reasonable evidence of employee misbehaviour or material error;
- the Company or the relevant business unit suffers a material downturn in its financial performance;
- the Company or the relevant business unit suffers a material failure of risk management;
- In cases of fraud or other conduct with intent of severe negligence which led to significant losses;
- the Company has a significant increase in its economic or regulatory capital base; or
- the Company is subject to any regulatory sanction and there is reasonable belief that the conduct of the employee contributed to such sanction.

5. Other Payments

a) Guaranteed Variable Remuneration

Guaranteed variable remuneration is offered on an exceptional basis only and is limited to the first year of employment.

The guaranteed variable remuneration will be subject to the aforementioned variable to fixed remuneration ratio. Where applicable, the guaranteed variable remuneration will be subject to the same deferrals as the variable remuneration of BMs in the same situation.

b) Buy-out / Sign-on Payments

Where applicable and market practice requires, new hires at the Frankfurt Branch may be offered buyout payments to compensate them for any losses in compensation incurred to them as a direct result of resigning from their old employer and/or sign-on payments to entice the employee to sign-on with the Frankfurt Branch.

c) Severance

Any contractual provisions on payments for the early termination of the employment contract at the initiative of the employer due to operational reasons will be subject to general standards that are dependent on the seniority of the individual and their length of service. For further details see the Social Plan agreed with the Works Council dated August 4, 2016, which is applied analogously to categories of staff (senior management) not covered by the Works Council. As a general rule no severance pay is provided in cases of dismissal for cause or personal reasons. In no cases is there reward for failure.

d) Discretionary Pensions

The award of discretionary pension entitlements is not permitted.

The Company's early retirement provisions are in line with applicable legal requirements and shall not reward failure (personal or corporate) or misconduct.

4 Prohibition of Personal Hedging

All staff of the Frankfurt Branch are subject to the provisions of the Company's Personal Securities Trading Policy, which prohibits margin calls or short selling of Company stock.

All staff of the Frankfurt Branch, including BMs, must accept the terms and conditions attached to an award made under the Company's Long Term Incentive Plan.

These terms and conditions prevent any sales of options or restricted stock units before the vesting date, plus any applicable holding period.

This effectively prevents all staff members from hedging the position that is the result of the composition of their variable remuneration.

5 Disclosure and Communication

a) Internal Communication

This Policy Statement will be made available to all staff of the Frankfurt Branch.

The Company will also maintain the availability of the performance measurement system and the applicable variable compensation plan through its internal website.

b) Reporting to the Regulatory Authority

The Policy Statement will be appended to the Internal Governance Memorandum of the Frankfurt Branch.

In addition, the Frankfurt Branch will report on the implementation of this policy statement in the frequency and format required by the regulatory authority or as provided in the German Remuneration Regulation. The annually required remuneration report will reference to this Policy Statement and be published on the homepage of the Frankfurt Branch (<https://www.bnymellon.com/de/de/publikationen.html>)

D. Governance

1. Human Resources and Compensation Committee (HRCC)

The HRCC is responsible for overseeing BNY's employee compensation and benefits policies and programmes globally. It reviews and is responsible for the compensation plans, policies and programs in which the senior officers participate and has general oversight for the other incentive, retirement, welfare and equity arrangements for all employees globally. The members of the HRCC are non-executive members of the BNY's Board of Directors, acting on behalf of the BNY Board of Directors. The HRCC charter includes Diversity & Inclusion. The HRCC functions as the ultimate shareholder of the Frankfurt Branch in respect of remuneration matters, notably in respect of the decision to lift the maximum variable remuneration limit for its staff to 200% which is attached as Annex II to this Policy Statement.

2. Branch Management Committee of the Frankfurt Branch

The Branch Management Committee of the Frankfurt Branch with the support of the control and corporate functions annually reviews the Policy Statement against any legislative changes as well as any internal and/or external audit findings.

3. Compensation Oversight Committee (COC)

The COC has oversight of all incentive plans including sound risk management, effective controls and strong governance. It reviews and approves all new incentive plans and material changes to existing incentive plans. The members of the COC are senior members of BNY management, including the Chief People Officer ("CPO"), the Chief Risk Officer ("CRO"), the Chief Financial Officer ("CFO") and the Global Head of People Rewards. Independent review of incentive plans is under the purview of the CRO and they report their assessment to the HRCC annually.

4. Incentive Compensation Review Committee ("ICRC")

The ICRC is the coordinating body of senior executives responsible for the oversight of the process to evaluate and approve compensation reductions for regulated employees below the Executive Committee level and for any other employees referred to the ICRC. These decisions are based on feedback regarding risk, compliance, audit and legal outcomes as well as situations of an employee engaged in fraud or directly or indirectly to have contributed to a financial restatement or other irregularity. The ICRC is a management-level committee that reports its actions to the HRCC. Ex ante adjustments are recommended by the employee's management for review and approval by the committee and ex post adjustments are formulated by the committee. The members of the ICRC are senior members of BNY Management, including the CPO, CRO, Chief Auditor, CFO and General Counsel.

5. EMEA Remuneration Advisory Council (ERAC)

The ERAC oversees the development and implementation of policies and practices in line with specific regulatory provisions that apply to relevant entities within the EMEA region as well as ensuring consistency with Company principles and compliance with the laws and regulations issued by the relevant states and regulatory authorities.

E. Avoidance of Conflicts of Interest

1.

At no point can an employee of the Frankfurt Branch participate in a meeting where a compensation plan or policy is decided that will affect their own compensation.

2.

The variable compensation plans are designed in function of the characteristics of the different businesses or business partner service. No member of a control function, such as Risk, Compliance, Legal, Internal Audit, Finance, People Team, is compensated in function of the results of the business he/she serves or controls.

F. Ownership and administrative information

Administrative Information

Procedure Owner:	The Management Committee of BNY Frankfurt Branch
Procedure Contact:	Daniel Cuncic
Review / Approval Authority:	EMEA Remuneration Advisory Council (delegated from the HRCC) BNY Frankfurt Branch Management Committee
Applicable to:	All staff of the Frankfurt Branch
Effective date:	
Review cycle:	12 months
Date reviewed:	December 2024
Next review date:	2025
Appendices:	<ul style="list-style-type: none"> I. The Company's Compensation Philosophy and Principles II. HRCC decision to lift the maximum variable remuneration limit to 200%

Revision History

Revision date	Description of Revision	Final Approval By
	Initial version	Frankfurt Branch Management Committee on Feb 19 th , 2018
September 2018	Multi-year assessment requirement for incentives paid to Branch Managers	Frankfurt Branch Management Committee on May 20 th , 2019
November 2021	Implementation of CRD V (KWG n.F. / IVV 4.0)	Frankfurt Branch Management Committee on November 29 th , 2021
September 2022	Procedure contact changed from Christopher Porter to Dennis Patrikios. Version and review dates updated.	Frankfurt Branch Management Committee on September 30 th , 2022
November 2023	Procedure contact changed from Dennis Patrikios to Daniel Cuncic. Version and review dates updated.	Frankfurt Branch Management Committee on December 4 th , 2023
September 2024	Minor adjustment to clarify all MRTs are subject to the RCSS process. Version and review dates updated.	Frankfurt Branch Management Committee on September 23 rd , 2024
December 2024	Minor changes to goals, Company name and Company committee references	Frankfurt Branch Management Committee (December 2024)

Annex 1 to the Remuneration Policy Statement for the Frankfurt Branch

COMPENSATION PHILOSOPHY

BNY offers a total rewards program that is externally competitive, internally equitable, and tied both to employee contributions and company success. We are committed to paying our employees fairly, and we offer pay and benefits that allow us to hire, reward, and retain the best talent available in each of the locations in which we operate.

Key points

The level of each individual's compensation is based on multiple factors, such as:

- Job function – type of work being done, financial responsibility, decision-making authority and number of employees supervised
- Knowledge requirements – skill, education and training required to successfully perform the job
- Experience – breadth and depth of prior work experience
- Local labor market – local pay rate for similar jobs at other companies in the same global location
- Talent availability – number of qualified workers who fulfil the job requirements; and
- Individual performance – level of performance of the person doing the job

Our employee compensation structure is comprised of an appropriate mix of salary and variable compensation (Incentives) that is paid over time. We aim to ensure that:

- Both salary and variable compensation are consistent with business and market practice
- Base salary is sufficient to provide security and a financial foundation
- Variable compensation when applicable, is aligned to external market practices. This could include annual and/or long-term incentives such as Restricted Stock Units, where appropriate or required by local regulation.

The criteria for determining variable compensation reflect individual, business and corporate performance, as applicable, and are determined on the basis of financial and non-financial factors, both current and over an extended period of time. Variable compensation is appropriately balanced and does not encourage excessive risk taking. In general, we do not use multi-year guaranteed bonuses. In certain circumstances, and subject to applicable law, individuals will be required to forfeit or repay variable compensation that has been received.

Variable compensation reflects compliance with the company's core values, including adherence to risk control and compliance with the company's policies and procedures. Variable compensation is also adjusted, where appropriate, for risk and the use of capital. Under ordinary circumstances, and for more senior-level employees, a portion of variable compensation will be deferred for a period of at least three years (albeit such compensation may be deferred ratably for alternative periods) and will be subject to the performance of either (or both) the company or the respective business and be subject to claw back under appropriate circumstances.

Our compensation programs are subject to strong and effective corporate governance considerations, including:

- Ultimate responsibility for the design and oversight of executive compensation rests solely with independent members of our board of directors.
- Key control functions, including the risk function, have input on the setting of compensation policy for businesses; and in turn, compensation programs for key control functions are to be set independently of the businesses they oversee and are to be based primarily on the control function's objectives.
- Compensation policies and practices are open and transparent to applicable stakeholders.
- Compensation programs are designed to comply with applicable laws and regulations.

Information Classification: Internal

Annex 2 to the Remuneration Policy Statement of the Frankfurt Branch

The Bank of New York Mellon Corporation
Human Resources and Compensation Committee
January 27, 2014
Agenda Item #3b

Resolutions Concerning Increasing the European CRD-IV Bonus Cap for Identified Staff

WHEREAS, this Human Resources and Compensation Committee (the "Committee") of The Bank of New York Mellon Corporation has general oversight responsibility for the employee compensation programs and policies of the Corporation;

WHEREAS, the European Capital Requirements Directive (CRD-IV) limits the amount of annual variable remuneration earned in 2014 and thereafter the Corporation or its subsidiaries may pay to Identified Staff and to Code Staff (as defined by the relevant regulatory requirements that implement CRD-IV) (collectively "Identified Staff") to 100% of fixed remuneration ("CRD-IV Bonus Cap"); provided so long as the direct shareholder of each subsidiary for whom the affected Identified Staff provides services approves in advance, the limit may (subject to applicable local laws and regulatory requirements) be increased to 200% of fixed remuneration (the "Increased CRD-IV Bonus Cap").

NOW THEREFORE, BE IT

RESOLVED, that the Committee hereby authorizes the Corporation establish an Increased CRD-IV Bonus Cap for any Identified Staff to whom the CRD-IV Bonus Cap may apply and who is employed by any direct or indirect subsidiary of the Corporation, and be it further

RESOLVED, that the Committee hereby further authorizes and directs the parent corporation of any Identified Staff employed any indirect subsidiary of the Corporation to establish an Increased CRD-IV Bonus Cap for any Identified Staff to whom the CRD-IV Bonus Cap may also apply if such action is otherwise required by applicable law.

RESOLVED, that the Chief Executive Officer, Chief Human Resources Officer and/or the Global Head of Compensation and Benefits be, and hereby each such officer is, authorized in the name and on behalf of the Corporation, to execute (which execution may be by facsimile signature) and deliver any and all agreements, instruments and other documents and to take any and all such additional actions as any such person may deem necessary, appropriate or desirable to effectuate the purposes of the foregoing resolution.