My commitment to fostering a diverse and inclusive workforce and workplace has been a constant throughout my career. Diversity and inclusion are non-negotiable ideals and good business. By looking at issues from multiple experiences and perspectives, our diverse teams arrive at better decisions and perform better.

Enduring Vision
At BNY Mellon, we’re invested in our people. They are our greatest asset, embodying the abundant diversity and boundless potential of today’s world and enabling us to distinctively service every step of the investment lifecycle.

Diversity and inclusion (D&I) is central to driving high performance, competitive differentiation, innovation and growth. To create a common language with which to engage leaders, employees, partners and stakeholders, we define diversity as “differences that inform our individual perspectives and enable us to make unique contributions.” Equally important in the equation is inclusion, which we define as “establishing and maintaining a workplace culture where all employees feel valued and respected and are given the opportunity to contribute to their fullest potential.”

Our investment in our people encompasses policies and programs that prioritize D&I considerations throughout the talent experience — from recruiting and hiring, to onboarding and development, to retention and promotion. D&I leadership at BNY Mellon stems from strong, top-down advocacy, as well as broad, bottom-up employee engagement. Our approach to D&I demonstrates a management and enterprise commitment to living our values consistently, pushing ourselves to do better and holding each other accountable — each day, in every interaction and everywhere we operate.

CEO Commitment
Our CEO’s unequivocal commitment to D&I is born from personal and professional experiences gained during his leadership journey. Through his upbringing in New York, an area distinguished and enriched by its diversity, and his C-suite positions, he’s seen D&I strengthen performance — that teams diverse in every way generally arrive at better decisions than less diverse teams because they look at issues with the benefit of their diverse backgrounds and perspectives, and companies that sustain a level playing field, supporting and including all employees, tend to perform better.

By challenging our most senior leaders with specific goals, our CEO aims to accelerate D&I progress across the company and improve our ability to unlock the power of our diversity through inclusion. Measurable targets, visible sponsorship and enhanced governance are driving focus, transparency and accountability.
Strategy
Refreshed in 2018 to chart a more progressive, business-driven approach, our D&I strategy aligns D&I goals with our global corporate strategy. Approved and endorsed by executive leadership and the board of directors, who receive regular progress reports, our business-driven approach to D&I also evolves the conversation and mindset beyond inherent attributes of diversity — those that make up one’s core identity, such as gender, race/ethnicity, sexual orientation and disabilities. We’re engaging our people on the basis of attributes that one has the power to change — those developed and acquired through life experience that make us distinct individuals, such as cognitive diversity, generational savvy, global acumen, multicultural competency, social diversity, work-life agility, military background and family status. The D&I strategy is flexible, allowing for local ownership and adaptation to support market-specific business priorities, needs, challenges and opportunities.

Best Practices
CEO/Executive Communications — Hearing from executive leaders helps employees understand leaders’ vision and have confidence in leaders. This is measured through our employee engagement survey with items such as, “The company’s senior management effectively communicates the case for change to meet the company’s objectives,” “I have confidence in decisions made by the company’s senior management” and “Senior management has a clear vision for the company’s future.” BNY Mellon’s CEO routinely posts messages to all employees about a range of topics, including his commitment to D&I and support of BNY Mellon’s employee and business resource groups (E/BRGs), as well as observations about our business model, culture and technology, among other priorities. Members of his executive team (Executive Committee) also share their thoughts and intentions with employees. These posts facilitate companywide dialogue. Based on our 2017 employee engagement survey,
86 percent of respondents said management of this company supports diversity in the workplace, recognizing and respecting the value of people’s differences (-1 percentage point from 2016 survey results and 7 percentage points ahead of the financial services industry norm), and 77 percent feel employees with diverse backgrounds are valued (+1 percentage point from 2016).

Executive Ownership — Our CEO and Executive Committee committed to ambitious D&I goals in 2017. They’ve renewed their commitment in 2018 and extended accountability to each Executive Committee member’s respective leadership teams. Greater specificity for workforce representation and hiring, with strategic emphasis on senior positions, is producing positive trends in our ethnic/racial employee population in the United States and sustaining focus on gender equality. We’ve set targets for employee engagement, candidate diversity, interview panel diversity, sponsorship of top diverse talent and involvement in E/BRG events. Executive Committee members also serve as executive sponsors of our E/BRGs, ensuring alignment of E/BRG strategy to corporate strategy and enabling E/BRG leaders to develop leadership skills and executive presence.

Governance — In an effort to engage new leadership perspectives in our D&I work, improve agility and reduce time from idea to execution, we are restructuring D&I governance, replacing a large group with two new, smaller groups: (1) an Advisory Council to the CEO that is strategic and forward looking and can serve as a sounding board to the CEO; and (2) a Global Working Group that is outcomes oriented and scales impact across the enterprise. Working in partnership with the Office of Global D&I and across the human resources function, the D&I governance bodies help ensure D&I is considered when developing our business strategy and operating model, in engaging with and delivering for clients, and in our recruitment and talent development processes. In addition, several members of BNY Mellon’s independent board of directors are engaging with our E/BRGs to understand our D&I opportunities and challenges and provide hands-on guidance and insights from their personal and professional journeys.

Marketplace/Industry Change — BNY Mellon’s commitment to D&I goes beyond deriving benefit for our business. Our inclusive culture enables us to play a critical role in well-functioning global markets and meet — with passion, expertise and integrity — the high expectations of those who depend on us. BNY Mellon is a staunch advocate for equal opportunity in the workplace and sponsors thought leadership to advance thinking and action on the topic. Supporting women in the workforce is a priority at BNY Mellon. We continuously review and refresh our policies and programs to support and strengthen a gender-equal, inclusive workplace. Our intent and efforts extend beyond driving change in our company to promoting gender equality in our communities and in society. In partnership with the United Nations Foundation, BNY Mellon developed two research reports that identify and quantify gender-equality market insights and opportunities: (1) Return on Equality and (2) Powering Potential: Increasing Women’s Access to Financial Products and Services.

BNY Mellon is also an active proponent of LGBT+ equality. With broad C-suite support, BNY Mellon co-sponsored a white paper providing extensive analysis on LGBT+ challenges in the global marketplace and
recommending corporate actions to uphold LGBT+ equality, create inclusive workplaces and unlock growth — for individuals and organizations alike. BNY Mellon senior executives also endorsed signing open letters opposing anti-inclusion U.S. state legislation and openly supported inclusion of gender equality within civil rights law. Internationally, BNY Mellon is equally active, adding our voice in support of marriage equality in Australia and publicly committing to advance diversity in Ireland. In Hong Kong, BNY Mellon adopted the Hong Kong Code of Practice against Discrimination in Employment on the Ground of Sexual Orientation. BNY Mellon published a public statement in support of LGBT+ equality. We proudly support the United Nations Office of Human Rights LGBTI Standards of Conduct for Business.

**Talent Pipeline and Lifecycle** — D&I plays a key role throughout the talent lifecycle, and our talent acquisition team tracks diversity throughout the applicant pipeline. For employees, D&I is embedded in a continuum of integrated people performance and development processes, with human resources working together with our businesses and corporate support areas to build robust internal talent pipelines and succession benches; identify, develop and advance top-performing diverse talent; and reinforce an inclusive culture and workplace. To expand our diverse talent sourcing capability, build and sustain robust diverse talent pipelines, and improve applicant pool quality and hiring rates, our approach includes a mix of proprietary programs and external partnerships. We are observing greater discipline and rigor in regards to candidate diversity and implementing diverse interview/hiring panels to enhance diversity of perspectives in the talent assessment and acquisition process. We’re also piloting new approaches to attract more diverse talent, raise awareness of financial career paths for technologists and engage accomplished individuals looking to return to the workforce. A broader network of educational institutions and on-campus student associations, and a new Sophomore Summit, is cultivating interest in financial service careers among younger students and enhancing the diversity of our interns.

**Sponsorship** — Acknowledging the rich diversity of our internal pipeline, we are concentrating effort into “pulling” top diverse talent up to diversify our senior ranks. Our Executive Committee members have goals to sponsor employees at the vice president level and above, ensuring diverse high performers are well positioned for succession. Sponsorship entails providing top talent visibility to other executive leaders and advocating on their behalf for stretch assignments and promotions. To create a sponsorship culture, this behavior change needs to be driven deeper into the organization. With C-suite support, the Executive Committee is partnering with human resources to raise awareness among middle managers of the gender and ethnic/racial diversity of our junior levels and the importance of mentoring and sponsoring talent earlier in the career journey to improve the promotion readiness of top diverse junior talent and increase the rates we promote them into vice president levels and onward into director levels and above.

**Professional Development** — BNY Mellon’s D&I All-Employees Foundational Excellence Certificate Program, launched in 2016, is distinctive, taking D&I training to the next level. It empowers our people with a competitively differentiating D&I skillset and provides our managers with an additional dimension to verify D&I competency and commitment to take into consideration
when assessing talent for open leadership positions, succession planning and promotions. In 2017, enrollment and completions rose 40 percent and 301 percent, respectively. We continue to explore enhanced development programs to improve inclusive leadership competency and use of cognitive diversity in decision making and problem solving at all levels of our workforce. In addition to internal professional development and leadership programs, we position top talent at external development programs, leveraging the peer-learning and peer-coaching opportunities offered by partner organizations to give our high-performing senior leaders and emerging talent broader networks and wider professional perspectives.

**Employee Engagement** — Our people, at every level of the organization, bring D&I to life. BNY Mellon’s six E/BRGs exemplify our vibrant workforce, providing employees with opportunities to share, collaborate and support one another through shared interests, common attributes and cultural heritage. They also deliver professional development workshops, mentoring/reverse mentoring programs, thought leadership events, networking opportunities and community partnerships that broaden employees’ horizons, perspectives, skillsets and circles of influence. To create greater value for the company, as well as support members, our ERGs are transforming into BRGs so more of our employees can engage with our businesses and clients. As one of our senior business leaders put it, “Our people and our firm’s potential come together in our resource groups. ... They are shaping our future and driving us to greater heights.” One in four employees is a member of an E/BRG, and membership continues to grow year over year.

**Data Analytics** — BNY Mellon’s Workforce Analytics team uses both quantitative and qualitative measurements and predictive analytics to better understand our employees and the talent economy and to make evidence-based decisions. Tracking, analyzing and modeling the internal and external workforce — such as applicant and hiring data, workforce representation, talent market availability, engagement, succession planning, promotions, turnover, and retention — has enabled us to assess trends, pinpoint issues requiring attention and possible intervention, and turn challenges into opportunities.

**Transparency** — We believe transparency and accountability promote healthy, stable financial markets and welcome initiatives that encourage greater focus on transparency. In that spirit, we publish our D&I strategy on our corporate website (www.bnymellon.com/diversity).

BNY Mellon periodically conducts reviews of our pay practices, with an eye to assessing how men and women are comparatively paid across our company. We have voluntarily published the results of this global analysis of our gender pay equity. In the United Kingdom, pursuant to legislation introduced by the U.K. Government Equalities Office, BNY Mellon also published gender pay gap information.

In 2017, BNY Mellon elected to conduct a self-assessment of its D&I practices that applies the standards for assessing the diversity policies and practices of regulated entities jointly established by the Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration, Bureau of Consumer Financial Protection, and Securities and Exchange Commission. We were pleased to voluntarily share with the regulatory community our D&I self-
assessment, which represents an additional dimension of transparency building on historical disclosures through our People Report (www.bnymellon.com/peopleresport) and CSR Report (www.bnymellon.com/csr).

We also take part in third-party research studies, surveys and benchmarking initiatives, such as the annual Human Rights Campaign’s Corporate Equality Index, McKinsey’s Women in the Workplace Study, Asia Society’s Asian Pacific American Corporate Survey and Best Employer/Best Practices Company Awards and the Bloomberg Gender-Equality Index, to name a few. Initiatives that expand awareness and access to data help our people and public stakeholders understand who we are, what we stand for, and why D&I is critical to our success and the ongoing health and growth of the global financial markets.

**Recognition** — Role models and storytelling help shine a light on D&I in a way that inspires and resonates with employees. Our popular D&I internal recognition programs spotlight our change agents. The biannual D&I Champions Awards recognize individuals/teams whose actions and impact exemplify inclusive leadership. The annual Stars Awards recognize employees who consistently deliver excellent client service and foster integrity and teamwork. A special Chairman’s Award is dedicated to recognizing employees who demonstrate an outstanding commitment to D&I. The program culminates in a recognition trip for award winners and guests, providing executive leaders and senior managers an opportunity to get to know our stars.

**Supplier Diversity** — BNY Mellon’s commitment to D&I extends to our suppliers. A broad and diverse network of suppliers strengthens our competitive advantage. Our Supplier Diversity Program (SDP) aims to be world class, exemplifying the broader scope and impact of our global business strategy and D&I strategy in its support of companies owned, operated and managed by women, minorities, veterans, LGBT+ individuals and people with disabilities (“diverse-owned businesses”). The SDP’s economic development activities contribute a minimum of 25 percent toward our total community services reported under the Community Reinvestment Act. Through a combination of sponsorship, hosting, office space, employee support, catering and in-kind donations, we help small and diverse-owned businesses build capacity and competency to supply large companies. Our Supplier Code of Conduct lays out our expectations for suppliers and their social responsibility commitments, including high standards of excellence in the areas of health and safety, labor and human rights, ethics, and other responsible business practices. In 2017, BNY Mellon spent $242.4 million with diverse-owned and small business suppliers (10.4 percent of total supplier spend vs. 6.6 percent in 2016 and an 8.1 percent industry standard), of which $51.3 million (2.2 percent of total supplier spend) went to women-owned businesses and $65.8 million (2.8 percent of total supplier spend) to other minority-owned businesses.