



Office of the
Comptroller of the Currency
Washington, DC 20219

WHOLESALE BANK

PUBLIC DISCLOSURE

July 10, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BNY Mellon, National Association
Charter Number: 6301

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500 Grant Street
Pittsburgh, Pennsylvania 15258

Office of the Comptroller of the Currency

Midsized & Trust Bank Supervision Division
National Trust Banks
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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated Outstanding.

The major factors that support this rating include:

- The institution has made an adequate level of community development (CD) loans and has an excellent level of qualified investment activity and CD services in its Pittsburgh, PA metropolitan statistical area (MSA) assessment area (AA), where nearly 98 percent of its deposits are derived.
- The bank is a leader in making CD loans and has an excellent level of qualified investments in its Bridgeport-Stamford-Norwalk, CT MSA AA.
- The institution does not use innovative or complex qualified investments, CD loans, or CD services.
- The institution exhibits excellent responsiveness to credit and CD needs in its AAs.

Description of Institution

BNY Mellon, National Association (BNY Mellon or bank) is a \$31.9 billion interstate national bank headquartered in Pittsburgh, Pennsylvania. BNY Mellon was created in 2008, upon the merger of Mellon Trust of New England into Mellon Bank. On July 19, 2002, Mellon Bank, N.A. was designated as a wholesale bank by the OCC. BNY Mellon under the same charter as Mellon Bank, N.A. hold the designation that continues through this evaluation period. The bank is a wholly owned subsidiary of The Bank of New York Mellon Corporation, a \$425 billion financial services company headquartered in New York, NY. As of March 31, 2023, The Bank of New York Mellon Corporation had \$46.6 trillion in assets under custody and/or administration and \$1.9 trillion in assets under management.

Based on Federal Deposit Insurance Corporation (FDIC) Deposit Market Share data as of June 30, 2022, BNY Mellon had \$26.3 billion in deposits in its Pittsburgh, PA MSA AA and \$302 million in its Bridgeport-Stamford-Norwalk, CT MSA AA. Table 1 provides an overview of the bank's financial information.

At the end of the evaluation period, BNY Mellon had only one office located in an upper-income geography in Pittsburgh, Pennsylvania. The bank closed its only other office, which was in an upper-income geography in Fairfield County, CT on December 8, 2022. The bank closed the Connecticut branch in accordance with its business strategy which is focused on private banking and does not require a branch presence for clients to access services. Wealth management is the bank's core business. Primary offerings include investment management, wealth and estate planning, private banking, and investment services. Lending activities are limited, and loans are primarily provided as an accommodation to wealth management clients. BNY Mellon affiliates make CD loans and investments, as well as provide qualified CD services that are included in this evaluation. These affiliates include the following:

BNY Aurora Holding Corporation

Sources, closes on, and holds low-income housing tax credit equity investments. This affiliate also makes and holds investments in Small Business Investment Company funds and an affordable housing real estate trust.

BNY Capital Corporation

Holds equity and common stock investments in Strategic Investment Fund Partners.

BNY Mellon Foundation of Southwestern Pennsylvania and The Bank of NY Mellon Foundation

These two foundations deliver major CD grants. The Pennsylvania foundation is restricted to the Pittsburgh, PA MSA and was established in 2007 following the relocation of Mellon Financial headquarters to New York. The Bank of NY Mellon Foundation is eligible to make grants in other areas of the United States exclusive of those southwestern Pennsylvania counties located in the Pittsburgh, PA MSA.

The Bank of NY Mellon

Holds many of BNY Mellon's CD loans, mortgage-backed securities (MBS)/ commercial MBS (CMBS) investments, and legacy CDC investments.

Community Impact

This shared service business administers employee volunteer CD service efforts, matching funds (grants) for CD service projects, and corporate grants and sponsorships that are CD qualified.

Corporate Treasury Services

This shared service business sources and purchases through open markets, CD qualified equity investments in MBS (single-family loan pools) comprised of loans made to low- and moderate-income borrowers and multi-family housing bonds.

BlueHub Capital

BNY Mellon invested in BlueHub Capital Loan Fund and is credited with a pro-rata share of CD loans made through this third party. BlueHub Capital lends throughout the Northeast and Mid-Atlantic states, including within BNY Mellon's designated AAs.

Table 1: Financial Information (000s)

	Year-end 2020	Year-end 2021	Year-end 2022	Most Recent Quarter-end 03/31/2023	Average for Evaluation Period
Tier 1 Capital	2,225,000	2,071,000	2,177,000	2,149,000	2,155,500
Total Income	1,270,000	1,286,000	1,550,000	2,064,000**	1,542,500
Net Operating Income	424,000	534,000	449,000	276,000**	420,750
Total Assets	33,413,000	33,980,000	31,424,000	31,945,000	32,690,500
Pass Through Receivables /Managed Assets	0	0	0	0	0

Source: Consolidated Report of Condition and Income and bank reported data. **Annualized data reported.

Scope of the Examination**Evaluation Period/Products Evaluated**

In evaluating the bank's performance under the CRA, we reviewed CD activities from January 1, 2020, through December 31, 2022. We reviewed the level and nature of qualified investments, CD lending, and CD services. At the bank's request, we also considered qualified investments, CD lending, and CD services provided by its affiliates. At the prior examination dated June 20, 2020, we rated the bank Outstanding.

For purposes of this evaluation, bank delineated assessment areas located within the same MSA, multistate MSA (MMSA), or combined statistical area are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area.

We allocated average tier 1 capital of \$2.15 billion between the two full-scope areas. Allocations were based on the percentage of deposits in the full-scope areas; therefore, \$24.4 million was allocated to the Bridgeport-Stamford-Norwalk, CT MSA and \$2.13 billion was allocated to the Pittsburgh, PA MSA.

The bank has adequately addressed the needs of its AAs, and therefore, outside of AA qualified investments, CD loans and/or services were considered in evaluating its performance.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. § 25.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Connecticut

CRA Rating for Connecticut: Outstanding

The major factors that support this rating include:

- The institution is a leader in making CD loans and demonstrates an excellent level of qualified investment activity in the state of Connecticut.
- The bank did not perform any CD services in the Bridgeport-Stamford-Norwalk, CT MSA, or within the broader statewide area of Connecticut.
- The institution does not use innovative or complex qualified investments to support CD initiatives in the state of Connecticut.
- The institution exhibits excellent responsiveness to credit and CD needs in the state of Connecticut.

Description of Assessment Area

The bank has designated its CT AA as the Bridgeport-Stamford-Norwalk, CT MSA, which consists of the single county of Fairfield. The AA complies with CRA guidelines. Throughout the review period, BNY Mellon operated one branch office in the Bridgeport-Stamford-Norwalk, CT MSA AA, located in an upper-income census tract. The bank closed this office on December 8, 2022. There are no known barriers to providing CD investments, loans, or services.

The bank possesses a low market share of deposits in the Bridgeport-Stamford-Norwalk, CT MSA AA of 0.40 percent, with \$302 million in deposits. The bank ranks 23rd out of 27 banks with deposits in the Bridgeport-Stamford-Norwalk, CT MSA AA (Source: 2022 FDIC Summary of Deposits). For the state of Connecticut, the bank's deposit market share is 0.17 percent. In 2022, the top three financial institutions based on deposit market share in BNY Mellon's Bridgeport-Stamford-Norwalk, CT MSA AA, were Webster Bank, NA, Manufacturers and Traders Trust Company, and Bank of America, NA, which collectively make up 50.68 percent of deposit market share.

According to the U.S. Bureau of Labor Statistics, the unemployment rate for Fairfield County as of December 2022 was 3.3 percent. This is a significant decrease from the peak unemployment rate during the three-year review period of 12.4 percent, which occurred for the month of July 2020. Comparatively, the unemployment rate for the state of Connecticut as of December 2022, was 4.0 percent, down from a peak unemployment rate for the three-year period of 11.7 percent, in May 2020. According to 2022 ACS data, the percentage of Fairfield County households below the poverty level is 8.71 percent, with an FFIEC updated median family income level of \$135,900. Fairfield County is a high-cost housing area, as the weighted median housing value is \$511,589.

The Bridgeport-Stamford-Norwalk, CT MSA is located along the northeast coast, within a commutable distance from New York City. The MSA is the third most populous in the state of Connecticut with a total population of 957,419 (Source: 2022 ACS). The most populous MSA is the Hartford-East Hartford-Middletown, CT MSA. Major employers within Fairfield County include the accounting firm of Deloitte, as well as manufacturing employers including Ashcroft, Auto Suture, and BIC Corp., and hospitals and school systems.

Below are demographics for the Bridgeport-Stamford-Norwalk, CT MSA AA. Separate tables reflect changes in CTs and CT income levels based on the 2020 Census.

Table 2: Bridgeport-Stamford-Norwalk, CT MSA (2020-2021)

	Number	Low	Moderate	Middle	Upper
Tracts	211	14.69%	18.96%	27.01%	38.39%
Families	232,921	24.56%*	15.62%*	17.79%*	42.03%*
Businesses	166,847	11.22%**	18.11%**	28.35%**	42.31%**

Source: Demographic Data – 2020-2021 ACS, Dun & Bradstreet Data. *Represents families by income level. **Represents businesses by income level of census tract.

Table 2: Bridgeport-Stamford-Norwalk, CT MSA (2022)

	Number	Low	Moderate	Middle	Upper
Tracts	227	15.42%	20.26%	25.99%	37.44%
Families	239,503	25.11%*	15.13%*	17.73%*	42.03%*
Businesses	191,456	11.26%**	20.94%**	24.74%**	43.05%**

Source: Demographic Data – 2022 ACS, Dun & Bradstreet Data. *Represents families by income level. **Represents businesses by income level of census tract.

To ascertain AA community credit needs, we initiated community contacts with two non-profit organizations. One organization focuses on strengthening the economic vitality of southwestern Connecticut, specifically, Fairfield County. The other works with businesses of different sizes providing loans, grants, and technical assistance to Connecticut's small businesses, primarily in low- and moderate-income communities, that are not able to obtain traditional bank financing. Based on information the contacts provided, identified community credit needs within the AA include the following:

- The need for financial products and resources designed to attract woman/minority individuals interested in starting a small business;
- A need for business start-up capital and grants to further assist small businesses affected by the COVID-19 pandemic; and,
- Additional lending to home developers to better meet the high demand for affordable housing.

Conclusions About Performance

Summary

The bank's performance in the state of CT is rated Outstanding. BNY Mellon and affiliates performance in Bridgeport-Stamford-Norfolk, CT MSA AA is excellent. BNY Mellon and affiliates provide an outstanding level of CD investments and loans within the Bridgeport-Stamford-Norwalk, CT MSA AA in relation to the bank's capacity, AA investment and lending opportunities, and the level of deposits the bank derives from the MSA. As the bank did not provide CD services within the AA or the broader statewide area of Connecticut, the state rating is based on the provision of qualified CD investments, grants, and loans.

The bank has an excellent level of qualified investments and grants and is a leader in making CD loans within the AA and broader statewide area of Connecticut, particularly considered in relation to the low level of deposits derived from the Bridgeport-Stamford-Norwalk, CT MSA. Current period investments, grants, and prior period investments in the AA and Connecticut statewide totaled \$181.2 million and originated CD loans totaled \$15.3 million. In addition, the bank frequently partners to create mixed-income, affordable, and subsidized housing that also contributes to the revitalization of distressed geographies. Qualified investments and CD lending demonstrate excellent responsiveness to affordable housing needs within the AA, identified through community contacts.

Qualified Investments

Qualified investments in the AA totaled \$91.4 million with current period originated investments of \$71.5 million, qualified grants of \$17,000, and outstanding prior period investments of \$19.9 million. The bank made an additional \$89.8 million in current period originated investments, grants, outstanding prior period investments, and unfunded commitments in the broader statewide area that included the AA.

During the evaluation period, originated qualified investments totaling \$75.2 million were made in the AA and broader statewide area. BNY Mellon also has \$14.2 million in commitments in the state of Connecticut, which benefit the AA.

BNY Mellon provided qualified grants totaling \$23,000 to qualified CD organizations and programs within the AA and throughout the broader statewide area. These grants supported affordable housing, economic development, and community services. Qualified grants through the bank's innovative Community Impact program included bank matched funds from bank and affiliate employees. Many of the qualified organizations supported children in need, food banks, elderly individuals, and provide general social services including housing and health programs.

BNY Mellon has outstanding investments totaling \$20.3 million from prior periods. We considered the ongoing impact from investments made during and prior to the current evaluation period. Most of these investments support the provision of affordable housing through MBS, CMBS, and LIHTC investments totaling \$5.7 million, \$14.2 million and \$400,000 respectively. These investments exhibit BNY Mellon's continued effort to address affordable housing needs in the AA.

Table 3b: Qualified Investment Activity (000s) – Bridgeport-Stamford-Norwalk, CT MSA

	Benefits AA**
Originated Investments	\$146,650

Originated Grants	\$23
Prior-Period Investments that Remain Outstanding	\$20,362
Total Qualified Investments	\$167,035
Unfunded Commitments*	\$14,235

* "Unfunded Commitments" means legally binding investment commitments that are tracked and recorded by the bank's financial reporting system. ** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

Table 4b: Qualified Investment Percentages -Bridgeport-Stamford-Norwalk, CT MSA

	Benefits AA (%)*
Total Investments/Average Tier 1 Capital	685.77
Total Investments/Average Total Income	127.93
Total Investments/Average Pass-Through Receivables	0

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area

Described below are some of the notable qualified investments:

- Management invested in several CMBS pools totaling \$66 million that consisted of six multifamily housing projects where over 90 percent of the units are reserved for affordable housing for low- and moderate-income families and individuals in the bank's AA.
- Management invested in several CMBS pools totaling \$75 million that consisted of 10 multifamily housing projects where over 70 percent of the units are reserved for affordable housing for low- and moderate-income families and individuals within the statewide area.
- Management invested in three pools of MBS totaling \$5.5 million that consisted of single-family mortgage loans to low- and moderate-income borrowers in the AA.
- BNY Mellon provided three grants totaling \$15,000 to an organization that benefited the AA. These grants supported affordable housing and community services for low- and moderate-income families and individuals.

CD Lending

CD lending was considered excellent and had a positive impact on the overall performance in the AA and was considered responsive to the needs of the AA. We considered the lending opportunities with direct benefit within the AA, state, or region and the bank's capacity to address these needs.

During the evaluation period, BNY Mellon originated seven CD loans totaling approximately \$15.3 million that benefitted the AA or broader statewide area (state of Connecticut) that includes the AA. CD loans supported community redevelopment, as well as affordable housing, including senior housing, mixed-income developments, subsidized rental housing, and housing for formerly homeless individuals. The CD loans demonstrated the bank's willingness to provide needed capital and operational support from banks.

The following table measures the level of total CD loan activity in terms of allocated average tier 1 capital and allocated average total income over the evaluation period:

Table 5b: CD Lending Percentages – Bridgeport-Stamford-Norwalk, CT MSA

	Benefits AA (%)*
Total CD Lending/Average Tier 1 Capital	62.81
Total CD Lending/Average Total Income	117.17
Total CD Lending/Average Pass-Through Receivables	0

* CD loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

CD lending activities were responsive to community credit needs. The following are examples of the bank's CD lending activities:

- A \$15.1 million loan to finance the demolition of four existing buildings and the new construction of a single three-story elevator structure to house 67 units (a net increase of 17 units). Forty units are covered by section-8 subsidy under a 20-year HAP contract, 20 units are income restricted LIHTC units, and seven are market rate units. Amenities include laundry space, a fitness center, and a community room with a computer center.
- A loan for \$89,000 to support a renovation project to create a mixed-income rental housing development, which includes 160 units. Eighty-three of the units are affordable with 65 of those affordable units going to households earning less than 60 percent of adjusted median-income. This project is a cornerstone of a broader effort to revitalize the downtown area of Windsor Locks to create transit-oriented development.

CD Services

During the period reviewed, the bank did not perform any CD services in the Bridgeport-Stamford-Norwalk, CT MSA, or within the broader statewide area of Connecticut. The bank did, however, provide CD services in the regional area outside the Connecticut AA and the broader statewide area of Connecticut in states such as Massachusetts, New York, and New Jersey. These are given credit under the State of Pennsylvania for community development services outside of the AA.

State Rating

State of Pennsylvania

CRA Rating for Pennsylvania: Outstanding

The major factors that support this rating include:

- The institution demonstrates an adequate level of CD loans and an excellent level of qualified investment activity in the state of Pennsylvania. The bank also demonstrates an excellent level of CD services within the AA.

- The institution does not use innovative or complex qualified investments to support CD initiatives in its Pittsburgh, PA MSA AA.
- The institution exhibits excellent responsiveness to credit and CD needs in the state of Pennsylvania.

Description of Assessment Area

The bank has designated its PA AA as the Pittsburgh MSA, which consists of the counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland. The AA complies with CRA guidelines. Throughout the review period, BNY Mellon operated one branch office in the AA, located in an upper-income census tract. There are no known barriers to providing CD investments, loans, or services.

The bank possesses a market share of deposits in the Pittsburgh, PA MSA AA of 11.74 percent, with \$26.3 billion in deposits. The bank has a strong deposit market share in the Pittsburgh MSA, ranking 3rd out of 51 banks with deposits in the MSA (Source: 2022 FDIC Summary of Deposits). For the state of Pennsylvania, the bank's deposit market share is also strong, as the bank ranks 5th with a total deposit share of 4.57 percent. In 2022, the top two financial institutions based on deposit market share in BNY Mellon's Pittsburgh, PA MSA AA, were the affiliate bank, The Bank of NY Mellon and PNC, NA. Together, these two banks make up 57.21 percent of deposit market share.

According to the U.S. Bureau of Labor Statistics, the unemployment rate for the Pittsburgh, PA MSA as of December 2022 was 4.5 percent. This is a significant decrease from the peak unemployment rate during the three-year review period of 16.4 percent, which occurred for the month of April 2020. Comparatively, the unemployment rate for the state of Pennsylvania as of December 2022, was 4.3 percent, down from a peak unemployment rate for the three-year period of 16.2 percent, in April 2020. According to 2022 ACS data, the percentage of Pittsburgh, PA MSA households below the poverty level is 11.31 percent, with an FFIEC updated median family income level of \$94,800. The weighted median housing value is \$167,675.

The Pittsburgh, PA MSA is located along the southwestern corridor of the state. The MSA is the second most populous in the state of Pennsylvania with a total population of 2.3 million (Source: 2022 ACS). The most populous MSA is the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA. Major employers within the Pittsburgh, PA MSA include the hospitals, UPMC Presbyterian Shadyside, the University Health Center of Pittsburgh, and Western Penn, as well as educational institutions including the University of Pittsburgh and Carnegie Mellon University. The financial institutions PNC Bank, NA, and the Bank of New York Mellon, are also among the area's top employers. According to D&B data as of June 2022, the highest percentage of jobs are service-related, followed by retail trade and finance.

Below are demographics for the Pittsburgh, PA MSA AA. Separate tables reflect changes in CTs demographics and income levels based on the 2020 Census.

Table 2: Pittsburgh, PA MSA (2020-2021)

	Number	Low	Moderate	Middle	Upper
Tracts	711	8.44%	24.61%	43.88%	20.96%
Families	611,943	21.25%*	17.42%*	20.57%*	40.76%*
Businesses	239,150	4.91%**	16.55%**	41.95%**	36.59%**

Source: Demographic Data – 2020-2021 ACS, Dun & Bradstreet Data. *Represents families by income level. **Represents businesses by income level of census tract.

Table 2: Pittsburgh, PA MSA (2022)

	Number	Low	Moderate	Middle	Upper
Tracts	724	7.04%	24.45%	41.99%	23.34%
Families	606,298	20.20%*	18.11%*	21.30%*	40.38%*
Businesses	272,638	5.37%**	17.12%**	39.44%**	38.07%**

Source: Demographic Data – 2022 ACS, Dun & Bradstreet Data. *Represents families by income level. **Represents businesses by income level of census tract.

To ascertain community credit needs, we initiated a community contact with a non-profit organization focused on affordable housing and economic revitalization in the Pittsburgh, PA MSA. In collaboration with several banks and Pittsburgh's Urban Redevelopment Authority, the organization works to produce special home purchase mortgage programs, home improvement loan programs and commercial lending products. The community contact indicated the primary needs of the community include the following:

- Financing for affordable housing as well as funding for home improvements/rehabilitation.
- Innovative lending products such as credit building programs that would provide financing to customers with credit history issues.
- Homebuyer down payment assistance programs for low- and moderate-income borrowers.
- Small business loans as well as small dollar loan products specifically to finance car loans.

Conclusions About Performance

Summary

The bank's performance in the state of PA is Outstanding. BNY Mellon and affiliates performance in Pittsburgh, PA MSA AA is excellent. This performance is driven by an excellent level of qualified investments, an adequate level of CD lending, and an excellent level of CD services. BNY Mellon and affiliates provide an outstanding level of CD investments and loans within the Pittsburgh, PA MSA AA in relation to the bank's capacity, AA investment and lending opportunities, and the level of deposits the bank derives from the MSA. Because the bank met the AA credit needs, we considered the bank's CD activities outside the AA or broader statewide area of Pennsylvania.

The bank makes a very high level of qualified investments, grants, CD loans, and CD services within the AA, and broader statewide region of Pennsylvania. Current period investments,

grants, and prior period investments in the AA and broader statewide area of Pennsylvania totaled \$924.5 million and originated CD loans totaled \$82.1 million. In addition, the bank provided 4,248 hours of CD services to 42 organizations in leadership roles as board members providing technical assistance on financial matters. The bank frequently partners to create mixed-income, affordable, and subsidized housing that also contributes to the revitalization of distressed geographies. These include two affordable housing developments created in the city of Pittsburgh, for which the bank made substantial LIHTC investments and provided construction financing. In addition to meeting affordable housing needs, these developments have also contributed to neighborhood revitalization. Qualified investments and CD lending demonstrate excellent responsiveness to affordable housing needs within the AA, identified through community contacts.

Qualified Investments

Qualified investments directly benefitting the AA totaled \$361.3 million with \$104.4 million in originated investments, \$14.8 million in qualified grants, \$181.9 million in outstanding investments, and \$60.2 million in unfunded commitments. During the evaluation period, BNY Mellon originated an additional \$563.2 million in qualified investments in a broader statewide area benefitting the AA (state of Pennsylvania). These consisted of \$421.3 million in originated investments, \$136,000 in qualified grants, and \$141.7 million in outstanding investments. Current period qualified investments consisted of LIHTCs, MBS, CMBS, and SBIC totaling \$800,000, \$10 million, \$507.4 million, and \$7.5 million, respectively.

Due to their ongoing impact on the AA, consideration was given to prior investments during the current evaluation period. BNY Mellon has outstanding investments totaling \$181.9 million from prior periods that directly benefit the AA. Most of the investments were for affordable housing including LIHTCs, MBS, and a CMBS totaling \$83 million, \$51.7 million, and \$37 million, respectively. Further investments were for economic development including an equity investment and SBIC investments totaling \$5 million and \$6 million respectively. Additionally, the bank has prior investments in the AA/broader statewide area (state of Pennsylvania) totaling \$141.7 million that are included in the evaluation.

BNY Mellon provided numerous qualified grants totaling \$14.9 million to qualified organizations and programs that benefitted the AA. These grants supported affordable housing, economic development, community services, and revitalization/stabilization. In addition, \$136,000 in sponsorship and matched funds in the AA/broader statewide and regional area were also considered in the evaluation.

Table 3a: Qualified Investment Activity (000s) – Pittsburgh, PA MSA

	Benefits AA	Outside AA**	Totals
Originated Investments	525,779	114,882	640,661
Originated Grants	14,958	8,967	23,925
Prior-Period Investments that Remain Outstanding	323,645	193,810	517,455
Total Qualified Investments	864,382	317,659	1,182,041
Unfunded Commitments*	60,265	4,959	65,224

* “Unfunded Commitments” means legally binding investment commitments that are tracked and recorded by the bank’s financial reporting system. ** Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

Table 4a: Qualified Investment Percentages – Pittsburgh, PA MSA

	Benefits AA (%)*	Outside AA (%)**
Total Investments/Average Tier 1 Capital	40.56	14.91
Total Investments/Average Total Income	75.66	27.81
Total Investments/Average Pass-Through Receivables	0	0

* Investments included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

Described below are some of the notable qualified investments and grants:

- Management invested in seven pools of MBS totaling \$10 million that consisted of single-family mortgage loans to low- and moderate-income borrowers in the Pittsburgh, PA MSA.
- Management invested in 15 pools of CMBS totaling \$94.5 million that consisted of multi-family mortgage loans. The CMBS were comprised of 23 multi-family projects wherein the majority of units are designated for low- and moderate-income individuals and families in the Pittsburgh, PA MSA.
- A \$12.9 million LIHTC project, \$2.8 million funded and \$10.1 million unfunded, to a mixed-use development consisting of a six-story building that will contain 44 affordable rental units and a commercial space.
- BNY Mellon provided three grants totaling \$3 million to support low- and moderate-income high school students by providing access to career pathways in business, finance, and technology through a college foundation in the Pittsburgh, PA MSA.

BNY Mellon adequately addressed the needs of its AA, including the statewide area of Pennsylvania. Since the bank adequately addressed the needs of its AA, an additional \$322.6 million in current and prior period investments and grants that benefit geographies or individuals located elsewhere across the nation also received consideration.

CD Lending

CD lending is considered adequate and had a positive impact on the overall performance in the AA and was considered responsive to the needs of the AA. We considered the lending opportunities with direct benefit within the AA, state, and region and the bank’s capacity to address these needs.

During the evaluation period, BNY Mellon extended 10 CD loans totaling approximately \$82.1 million that benefitted the Pittsburgh, PA MSA AA or broader statewide area that includes the AA. Additionally, as BNY Mellon met the needs of its AA, consideration was given to an additional 91 CD loans totaling approximately \$17.6 million made outside of the AA.

CD loans consisted of eight affordable housing loans totaling \$81.9 million, and two community services loans totaling \$191,000. These CD loans supported affordable housing, the most significant need in the MSA, and the need for both capital and operational support from banks.

The following table measures the level of total CD loan activity in terms of allocated average tier 1 capital and allocated average total income over the evaluation period:

Table 5a: CD Lending Percentages – Pittsburgh, PA MSA AA

	Benefits AA (%)*	Outside AA (%)
Total CD Lending/Average Tier 1 Capital	3.85	.82
Total CD Lending/Average Total Income	7.19	1.54
Total CD Lending/Average Pass-Through Receivables	0	0

* CD loans included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

In response to the significant affordable housing needs within the bank's AA, CD lending focused on supporting high quality affordable housing throughout the AA. The bank's direct project involvement efforts are specifically focused on CD lending and the development of affordable housing projects prioritized by the Pennsylvania Housing Finance Agency. The bank's commitment to providing CD finance and investment to these projects has been consistent over the evaluation period. The following are examples of the bank's CD lending activities:

- An \$11.4 million new construction loan of a 30 unit, four story apartment building and six duplexes containing 12 units. All units offer project-based section 8 subsidies subject to a 20-year HAP contract.
- An \$11 million loan to finance the new construction of a 52 unit, four story, mixed-income senior (62+) housing. The development consists of 44 affordable units to those earning 20 percent to 60 percent of adjusted median income, with the remaining eight units at market rate. Building amenities include kitchenettes, a community room, laundry, game room, and hair salon, as well as an exercise facility and 56 parking spaces.
- An \$11 million new construction loan to build a six-story building to provide 43 units of affordable housing as well as commercial space. Twenty-one units (49 percent of total units) are designated for those earning 60 percent of adjusted median income. Seventeen units (40 percent of total units) are for those earning 50 percent of adjusted median income. Lastly, five units are designated for those earning 20 percent of adjusted median income.

CD Services

BNY Mellon exhibited excellent responsiveness to CD services needs within its Pittsburgh, PA MSA AA and within the greater statewide area of Pennsylvania. Because the bank was responsive in meeting CD services needs in its AA, we also considered CD services made on a nationwide basis.

As reflected in the following table, total employee CD services within the Pittsburgh AA and statewide in Pennsylvania totaled 4,248 hours, including 3,960 in the Pittsburgh, PA MSA AA and 288 statewide in Pennsylvania. Service hours were provided to 42 organizations. The organizations are devoted to providing community services that meet the needs of low- and moderate-income individuals and families, as well as economic development through job creation, the provision of affordable housing, and revitalization and stabilization of communities facing economic decline. On a nationwide basis, bank employees devoted 2,976 CD service hours to 29 organizations that provide similar services.

Table 6a: CD Service Activities – Pittsburgh, PA MSA

CD Service	Benefits AA*	Outside AA**
Community Services	1,752	2,472
Affordable Housing	576	456
Economic Development	792	336
Revitalization/Stabilization	840	0
Total CD Service Hours	4,248	2,976

* CD services included in the Benefits AA column are located in the AA or in the broader statewide or regional area that includes the AA.

** CD services are provided by BNY Mellon and affiliates in the broader regional area in such states as New Jersey, New York, and Massachusetts.

Below are examples of notable CD services the bank provided within the AA:

- Throughout the evaluation period, an employee served as a board member and on various committees of a neighborhood corporation dedicated to providing a number of social services to Pittsburgh residents. These services include mental health, food pantries, and technical assistance to small businesses.
- During the entirety of the evaluation period, a bank director served as a director and on various committees of an organization devoted to neighborhood revitalization and community development.
- During the entire evaluation period, an employee served as a director and on various committees of an organization dedicated to providing affordable housing to women and children who are homeless and the victims of domestic abuse. The organization also provides day care services, psychological counseling, and job training.

Appendix A: Summary of MMSA and State Ratings

RATINGS BNY Mellon, National Association	
Overall Bank:	Overall Bank Rating
BNY Mellon, National Association	Outstanding
State/MMSA Name:	State/MMSA Rating
State of Connecticut	Outstanding
State of Pennsylvania	Outstanding

Appendix B: Definitions and Common Abbreviations

The following terms and abbreviations may be used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose CD.

Rating Area: A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have

original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in ‘loans to small farms’ as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders’ equity, perpetual preferred shareholders’ equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.