

Business Continuity Planning—Pandemic Statement of Preparation

As part of Pershing's extensive and ongoing business continuity planning, we have made preparations to deal with a public health emergency affecting associates at any of our locations, with the goal of preserving our ability to service you, our clients.

Planning Drivers

We have focused on augmenting our existing practices in consideration of the following aspects:

- Global impact with no differentiation by culture, industry or geography
- Potential to escalate quickly and continue for several months in more than one wave
- A high projected rate of infection, potentially causing heavy absenteeism
- Overtaxed health care facilities, public health agencies and personnel

Business Continuity Planning Approach

Through Pershing's participation in various industry groups, such as the Securities Industry and Financial Markets Association (SIFMA), we have been working with both the public and private sector to ensure that Pershing's plans are aligned with the best guidance available from relevant authorities. The level of resiliency that Pershing presently maintains provides the foundation for our response to a potential contingency event.

Pershing has implemented many strategic actions as part of its business continuity plan, such as:

- Assigning associates and senior managers responsible for critical processes to multiple geographically dispersed locations
- Providing associates with electronic access to work from home, where appropriate
- Assessing ways to make our facilities more biohazard resistant

Pershing may introduce *social distancing* and other measures to avoid close physical proximity in the workplace and minimize the potential for transmission of a virus or other health risk.

Under the direction of BNY Mellon's Global Business Continuity Planning Group, Pershing actively participates in a company-wide Pandemic Task Force to specifically address the impact that a pandemic might have on our businesses. The task force monitors situations and has developed plans in accordance with the Pandemic Phases defined by the World Health Organization, which is organized around the following focal points:

- **Medical**—Provide information on the background, status and potential trajectory of a pandemic; advise on the appropriate actions to protect employees; and, when necessary, carry out these actions in conjunction with our outside medical consulting service provider.
- **Human Resources**—Develop policies and procedures for employees, educate employees in on-the-job health practices and monitor employee absenteeism during a pandemic.
- **Communications**—Disseminate information to clients and staff.
- **Technology**—Ensure adequate, secure access to corporate information by remote staff and continue to develop and promote the effective use of voice and videoconferencing.
- **Security and Property Management**—Deploy hygienic measures to mitigate the spread of a virus, ensure that premises are secure, liaise with civil authorities and determine the potential impact of a pandemic on domestic and international business travel.

- **Business Operations and Trading**—Work with key operational units to augment strategies for operating in a pandemic.
- **Risk, Legal, Compliance, Audit**—Monitor pandemic developments from an enterprise risk perspective and ensure compliance and/or regulatory relief as required.

Summary

Pershing is confident that by continuing to develop its plans and proactively managing its response, Pershing will be well positioned to support you and maintain our critical operations.

March 2017