CIBC MELLON

BALANCING EFFICIENCY AND INNOVATION:

EVOLVING THE OPERATING MODEL IN SECURITIES SERVICES

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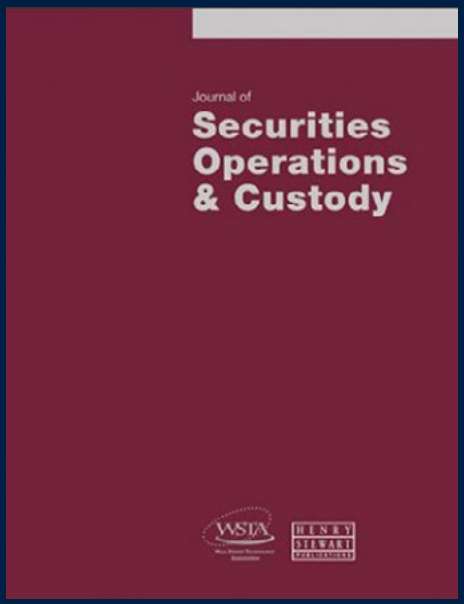

ABSTRACT

This article explores the evolving challenge in securities operations: how institutions can simultaneously simplify legacy infrastructure and implement advanced capabilities to support modern demands. Drawing from real-world client engagements and transformation programs, the article outlines how organizations can balance operational consolidation with innovation. It emphasizes the importance of data governance, modular technology architecture, AI integration, regulatory resilience, and talent strategy. With in-depth analysis and actionable guidance, the piece illustrates how asset managers, pension plans, custodians, and service providers can redesign their operating models to deliver long-term scalability, resilience, and competitive differentiation in an increasingly complex financial environment.

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Richard has more than 30 years of asset servicing and investment operations experience.

Across today's securities services landscape, organizations are contending with a fundamental tension: the need to simplify and consolidate legacy infrastructure while simultaneously upgrading capabilities to meet growing client expectations, regulatory complexity, and the rapid evolution of technology.

This dual mandate, simplification on one hand, modernization on the other, is no longer a trade-off. Rather, it has become a strategic imperative. Leading institutions are embracing both goals in parallel, recognizing that efficiency and innovation are no longer mutually exclusive. Success demands a deliberately sequenced, data-driven approach grounded in risk discipline, operational excellence, and human capital transformation.

This article explores how institutional investors, asset managers, and custodians can achieve this balance. Drawing on case studies and first-hand engagements with large pension plans, asset managers, and global financial institutions, we examine how organizations can move beyond fragmented workflows and outdated platforms toward intelligent, modular operating models built for future demands.

EXPLORE WITH US

We would be pleased to discuss these themes further, including exploring them in the context of our ongoing Canadian and global research efforts. Please don't hesitate to contact your relationship manager to arrange a discussion.

WHY CONSOLIDATION ALONE IS NOT A SOLUTION

Historically, operating model transformation in post-trade services was driven by cost containment[1]. Firms focused on consolidating duplicative systems, eliminating manual processes, and outsourcing non-core activities.

- CONSOLIDATED DUPLICATIVE SYSTEMS
- ELIMINATING MANUAL PROCESSES
- OUTSOURCING NON-CORE ACTIVITIES

This made sense, many organizations grew through acquisition and inherited fragmented infrastructures across geographies, asset classes, and business lines.

But today's environment is different. New asset types, compressed settlement cycles, real-time reporting expectations, and cross-border complexities demand more than just a leaner model[2]. Capability, the ability to adapt, scale, and personalize service, is now just as critical as cost control.

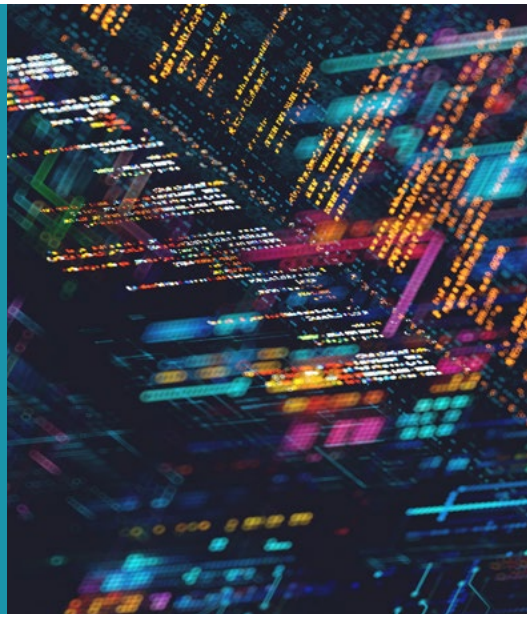
WE SUPPORTED A NORTH AMERICAN ASSET MANAGER THAT CONSOLIDATED FIVE REGIONAL TRADE SETTLEMENT SYSTEMS INTO ONE. THE RESULTS WERE INITIALLY IMPRESSIVE:

▼30% Reduction in technology spend over three years

▲35% Improvement in settlement efficiency

However, over time, the limitations of a monolithic architecture became clear. New client mandates required onboarding multi-asset portfolios and integrating real-time ESG analytics into their reporting layer capabilities the unified system couldn't easily accommodate. Business units had to submit manual workarounds, and onboarding delays began impacting client SLAs. The firm's operational gains came at the expense of adaptability. With CIBC Mellon's guidance, they introduced a microservices-based overlay, allowing them to decouple critical reporting and onboarding workflows from the core engine, restoring agility without dismantling their entire architecture[3].

This example illustrates a core principle: consolidation must be intentional and capability-aware. Systems should be harmonized not just for cost, but to support modular growth, client-centric design, and digital readiness.



EVOLVING DEFINITIONS OF CAPABILITY

WHAT CLIENTS EXPECT FROM THEIR ASSET SERVICING PARTNERS HAS CHANGED DRAMATICALLY OVER THE PAST DECADE. TODAY'S INSTITUTIONAL INVESTORS, ESPECIALLY LARGE PENSION PLANS AND SOVEREIGNS, DEMAND:

- **Real-time transparency into positions, flows, and counterparty risk**
- **Integration across public and private market holdings**
- **Configurable reporting tools**
- **Secure, digital-first interfaces for end-users and consultants**
- **Rapid response to new regulatory mandates**

Traditional metrics like Straight Through Processing (STP) rate or Total Cost of Ownership (TCO) are still relevant, but insufficient. Capability is now defined by the institution's ability to anticipate needs, deliver insights, and personalize service at scale[4].

One global multi-asset client CIBC Mellon supports sought to unify portfolio reporting across public equities, real assets, private credit, and fund-of-funds exposures[5]. Each asset class had previously been managed through its own workflow, resulting in reconciliation mismatches, inconsistent data taxonomies, and challenges in consolidated exposure analysis. Rather than building a monolithic reporting engine, we helped them establish a shared investment book of record (IBOR) layer that aggregated position data and normalized reporting formats across business lines. This IBOR fed into flexible APIs and service-specific modules, enabling self-service analytics, custom dashboards, and automated exposure snapshots for front-office teams. The result: a 50 per cent reduction in inquiry volumes, faster investment committee reporting, and enhanced end-client experience, all achieved without disrupting their core custody system.

The lesson: capability is not about bigger systems. It's about smarter architecture, modularity, and responsiveness.

DATA READINESS AS A PRECONDITION

No operating model can scale or evolve without foundational investment in data. Yet many institutions still treat data strategy as an afterthought, something to be addressed after platform decisions or automation initiatives. This is a mistake.

Inconsistent data standards, fragmented taxonomies, and poor lineage tracking are among the biggest barriers to modernization[6]. They delay client onboarding, reduce model accuracy, and increase operational risk.

We engaged with a large Canadian public pension plan whose middle office was fed by over 200 disparate data sources spanning public and private asset classes, external fund managers, and internal risk systems. Teams often spent 30 per cent of their time manually reconciling static spreadsheets, legacy system exports, and emailed reports before any investment or operational analysis could even begin. These delays weren't just inefficient: they impacted governance timelines, made it harder to respond to regulatory inquiries, and impaired decision velocity across the organization.

Our engagement focused on designing and implementing a unified reference data hub to serve as a single source of truth. We collaborated across operations, technology, and data governance teams to standardize entity hierarchies, normalize naming conventions, and establish metadata tags across all major inbound sources. This wasn't just a technical fix we also stood up a new data governance council to maintain stewardship responsibilities within each business line.

Within 18 months, ingestion errors fell by 60 per cent, ad-hoc reconciliations became rare, and real-time dashboards became the new standard for internal stakeholders. These dashboards provided near-instant visibility into cross-portfolio positions, counterparty exposures, and funding statuses, accelerating the middle office's ability to support complex investment strategies with accurate, timely insight.

HIGH-FUNCTIONING DATA STRATEGIES TYPICALLY INCLUDE:

- A centralized, governed data dictionary
- Role-based access protocols and audit logs
- Continuous data quality scoring
- Standardized identifiers across business lines

Data architecture isn’t glamorous, but it is the bedrock of innovation, AI enablement, and confident client servicing.

EMBEDDING ARTIFICIAL INTELLIGENCE WHERE IT WORKS

Artificial Intelligence (AI) in post-trade operations has evolved from aspirational to tactical. We are seeing real deployments, not as standalone moonshots, but as embedded features that improve accuracy, speed, and prioritization[5].

At CIBC Mellon, we deployed machine learning to identify likely trade settlement fails up to 36 hours before standard cutoff windows. The solution began with a thorough historical analysis of settlement data, flagging patterns and anomaly indicators associated with failed trades including mismatched instructions, missing counterparty data, and timing irregularities between counterparties in different time zones. Working closely with operations leads and client service teams, we trained a predictive model to assess failure risk in real time, factoring in trade type, custodian jurisdiction, asset class, and historical behaviors[5].

Rather than expanding teams or increasing headcount, the model now delivers early alerts to operations analysts, prompting proactive outreach to custodians, brokers, or clients. In several cases, interventions have prevented cascading downstream issues avoiding penalties, reputational risk, and client dissatisfaction. The result has been a sustained 15 per cent drop in settlement fails, driven not by additional staff, but by smarter, earlier action.

This work also helped standardize our approach to AI governance. We introduced explainability reports for audit purposes and implemented thresholds to guard against overcorrection or false positives. Importantly, the model was embedded into existing workflows, not bolted on, allowing for integration with legacy ticketing and monitoring systems. In today's environment of compressed T+1 settlement cycles, this kind of intelligence isn't a luxury; it's becoming essential infrastructure.

Other clients have successfully used natural language processing (NLP) to automate one of the most labor-intensive parts of private markets: extracting deal terms from unstructured documents like capital call notices, subscription agreements, and distribution letters[1]. For one asset owner managing hundreds of fund relationships, the manual process involved downloading PDF attachments, reviewing them line by line, and copying key terms into spreadsheets or dashboards, an error-prone, time-consuming task that delayed downstream reporting and cash planning.

Working alongside the client's operations and technology teams, we implemented an NLP model trained on historical notices to automatically extract key fields: fund name, commitment amount, due date, bank wire instructions, and investor allocation breakdowns. The NLP engine was designed to handle unstructured formatting, obscure naming conventions, and attachments of varying quality. Once extracted, these terms were passed into a data staging layer for human review and reconciliation[4].

Within six months, the model was able to process incoming notices with minimal human intervention, reducing average intake time by 40 per cent and eliminating the bottleneck between capital call receipt and treasury execution. This freed up analyst capacity, reduced late fees and missed deadlines, and increased confidence in liquidity forecasts. It also laid the foundation for broader automation of private asset workflows[7].

AI SUCCESS DEPENDS ON MORE THAN JUST CLEVER ALGORITHMS. IT REQUIRES:


Clean, structured training data


Clear use-case scoping and success metrics


User training and feedback loops


Model governance and explainability for audit and compliance


Thoughtful human engagement and understanding

AI should not replace operations professionals, it should help them to do more, better and faster. It should amplify the capacity and connectivity of teams, and give professionals more time focus on judgment-rich decisions rather than repetitive checks. Based on our experience, the value of AI is maximized when we focus on what capabilities, processes, and connections that operational teams can unlock and how they can be moved to higher value work.

OPERATIONALIZING PRIVATE MARKETS

One of the most significant operational shifts we have observed in the last five years[8] is the rise of private assets in institutional portfolios. Canadian asset owners (pension plans, endowments, and foundations) in particular, are allocating upwards of 40 to 50 per cent to real estate, infrastructure, private equity, and private credit[9]. These investments offer long-term return potential but introduce operational friction rarely seen in public markets.

THESE ASSET CLASSES PRESENT CHALLENGES NOT SEEN IN PUBLIC MARKETS:

Irregular and unstructured cash flow notices	**Off-cycle NAV and valuation schedules**	**Complex waterfall and fee arrangements**	**Difficult-to-standardize ESG metrics**	**Illiquidity and minimal price transparency**

For custodians and asset servicers, this means building entirely new workflows, data pipelines, and client support models.

The valuation and reporting complexities are compounded by the fact that many fund managers still operate with limited transparency and non-standardized reporting formats. For custodians and asset servicers, this requires purpose-built infrastructure that can ingest, normalize, and act on highly customized data[10].

BUILDING DATA CONFIDENCE

We supported one asset owner that previously relied on **more than 100 bespoke spreadsheets** to **track fund-of-funds capital flows**. Treasury teams struggled to forecast cash needs, track uncalled commitments, and monitor capital call timing. Errors were frequent, and time was lost reconciling inputs across departments.

We worked with their operations and data architecture leads to implement a purpose-built dashboard platform. This included automated parsing of incoming capital calls, mapping them to commitment schedules, and reconciling against bank wires and subscription documents. Data was surfaced through a liquidity management view, enabling the treasury team to run short-term projections and stress scenarios across their private capital book.

▼10 DAYS

Cycle times fell by 10 days, liquidity projections became more accurate, and teams reported higher confidence in their funding decisions. Importantly, the platform served as a prototype for broader digital transformation efforts across the investment book from ESG tracking to fund performance analytics.

BUILDING WITH MODULAR, INTEROPERABLE ARCHITECTURE

Legacy platforms in custody and post-trade services were often built as vertically integrated, all-in-one solutions. Today, that approach is rapidly giving way to modular architecture, systems designed to work together via APIs, data lakes, and shared services.

MODULARITY OFFERS THREE STRATEGIC BENEFITS:

Speed to market: New tools or analytics layers can be plugged in without long delays

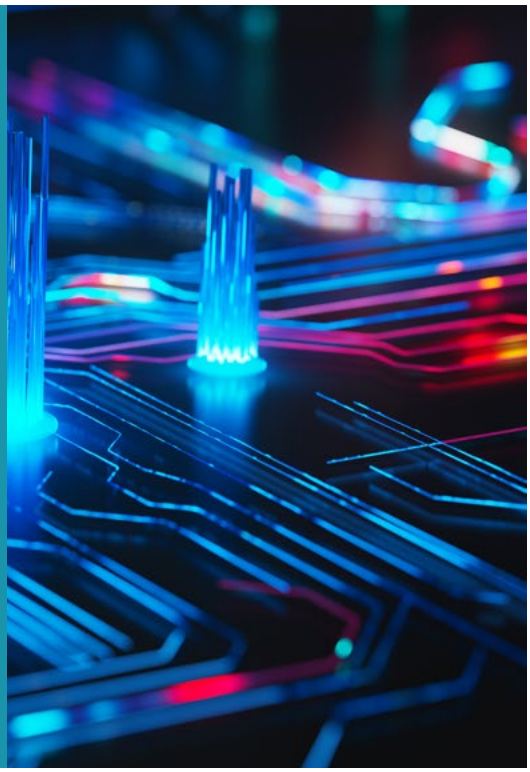
Risk containment: Failures in one module don't crash the whole system

Vendor flexibility: Firms can integrate best-of-breed providers for each layer

One institutional client retained their core custody engine but added a modern cash analytics platform via API integration. This allowed real-time visibility into intraday liquidity and counterparty exposure without disrupting their existing workflow or triggering system migrations.

A modular design also supports faster innovation cycles. For example, we've helped clients add ESG scoring tools, natural language generation for reports, and chatbot interfaces, all sitting atop their existing ecosystem.

That said, modularity requires discipline. Governance frameworks must track change dependencies, access controls must be unified, and testing protocols must account for loosely coupled systems.



GOVERNANCE AND CONTROL IN A MODULAR WORLD

As firms shift toward modular operating models, governance must evolve to keep pace. In a tightly coupled, monolithic system, change control could be centralized. In a modular architecture, with API-connected systems and distributed functionality, risk must be tracked across layers, interfaces, and providers.

This is more than operational hygiene, it is increasingly a regulatory imperative.

Canada's national financial services regulatory body OSFI enforces B-13 and E-21 guidelines which now require formal oversight of digital transformation and third-party risk. In the United Kingdon, the FCA and Bank of England have introduced operational resilience requirements mandating that firms map critical business services, identify impact tolerances, and test continuity plans[11]. The EU's DORA regulation, and similar efforts from the SEC and IOSCO[12], reflect a broader global push toward operational transparency and system stability[13].

TO MEET THESE EXPECTATIONS, FORWARD-LOOKING FIRMS ARE ADOPTING CONTROL STRATEGIES SUCH AS:

- Automated service dependency mapping
- Shadow change logs to track unsanctioned workflow deviations
- "Kill switches" or failover protocols for critical services
- Third-party monitoring tools for vendor risk and SLA compliance
- Internal audit reviews for model risk and AI governance

One Canadian asset owner faced mounting regulatory pressure under OSFI's B-13 guideline, which requires formal governance over digital transformation and operational resilience. Their architecture had grown increasingly distributed: third-party data vendors fed into risk engines, custodians provided reporting interfaces, and internal systems were increasingly API-connected[14].

We collaborated with their risk and enterprise architecture teams to map service dependencies across nearly two dozen systems. Using this map, we built an automated alerting framework that tracked critical workflow deviations, third-party outages, and latency in data flows all of which were tied to operational and compliance risks.

TO MEET INTERNAL AUDIT REQUIREMENTS, WE ALSO HELPED DEVELOP AN INTERNAL CONTROL DASHBOARD. THIS TOOL SURFACED:

Failover test schedules

Service interruption histories

Vendor breach logs

Operational risk heat maps

These control insights were presented quarterly to the Board Risk Committee and became part of their annual OSFI audit package. Not only did this improve transparency, but it also helped the firm negotiate stronger SLAs with key vendors proving that governance, when modernized, can drive both compliance and performance gains.

RESILIENCE BY DESIGN

Consolidation can simplify systems, but it can also concentrate risk. When a single platform supports multiple business lines or regions, a fault in one function can become a systemic issue.

This is why resilience must be designed, not bolted on. Today's institutions are building for recoverability, not just redundancy.

BEST PRACTICES INCLUDE:

Active-active architectures that allow for seamless failover

Event-driven alerts to monitor stress indicators in real time

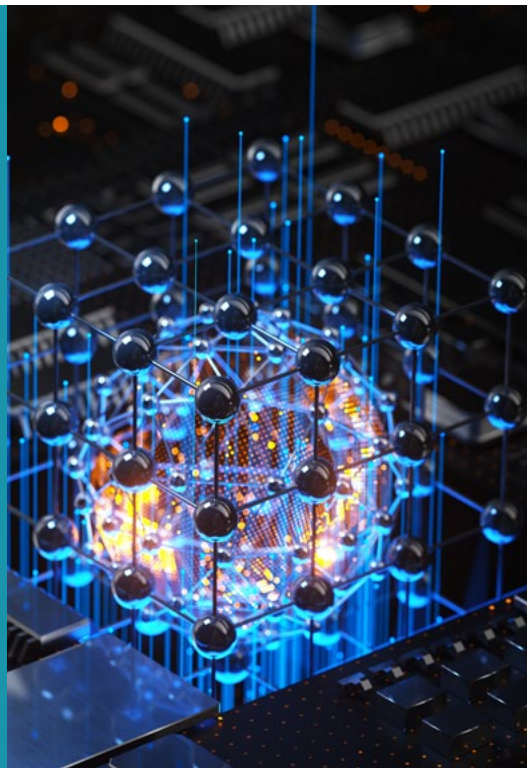
Business continuity playbooks for all major vendor and process dependencies

Chaos testing for simulating live disruptions and measuring recovery

One global custodian we've worked with runs semiannual "blackout drills" that simulate data center outages and communications failures. Each team has predefined roles, and recovery time objectives are actively tracked. This discipline isn't just about technology. It's about operational muscle memory.

The trend toward resilience is also driving interest in decentralized cloud infrastructure, especially among large asset owners with strict geographic data residency requirements. We've seen Canadian pension plans explore regionalized deployments to meet both OSFI standards and internal business continuity mandates.

As operating models become more complex, resilience must become more deliberate.



TALENT, CULTURE, AND THE HUMAN FACTOR

Too often, transformation efforts fail not because of the technology, but because the people running the systems weren't brought along.

Operating model modernization touches nearly every function: operations, risk, IT, client servicing, compliance. Yet many firms still treat change as a technical rollout, with little investment in cultural adaptation or upskilling. The rise of AI has dramatically accelerated these activities, as new capabilities and technologies are coming online in time periods measured in weeks or months rather than years or decades.

The best-performing institutions we've worked with recognize that investments in human capital often pay the best dividends: as talent is the most important enabler of transformation, and that legacy attitudes are one of the most important areas to transform.

LEADING FIRMS EMBED TALENT AND LEARNING INTO EVERY PHASE OF CHANGE. THEY OFFER:

1. Rotations between operations and technology teams
2. Innovation labs where staff test new tools in low-risk environments
3. Digital literacy bootcamps for legacy platform users
4. Data stewardship roles with business-line accountability
5. AI ethics and model explainability training for business leads

One Canadian institutional client developed a "transformation ambassador" program. Mid-level leaders were invited to co-lead workshops on operating model redesign, participate in vendor demos, and contribute to future-state mapping. These individuals not only improved project outcomes, they became internal evangelists, helping peers embrace the new tools and processes.

Culture eats strategy, as the saying goes. Firms that ignore workforce engagement and learning often find themselves reverting to old processes, even on brand-new platforms. Forward-looking people are the most important part of a plan to move forward.

SEQUENCING AND MANAGING CHANGE OVER TIME

A common trap in operating model transformation is trying to do everything, everywhere, all at once. It is understandable - institutions want results quickly. However, this approach increases risk, burns out teams, and often leads to uneven adoption.

Leading organizations instead pursue a sequenced approach that aligns to business priorities, risk appetite, and data readiness[15].

A PROVEN SEQUENCE MIGHT INCLUDE:

Data foundation: Establish governance, standardization, and lineage

Process rationalization: Automate where possible, eliminate redundancies

Platform modernization: Consolidate systems, introduce modular components

Capability expansion: Introduce new services, analytics, AI, or client tools

Measurement and optimization: Implement KPIs and feedback loops

We supported a pension manager through such a journey. Phase 1 began with standardizing fund reference data. Only after that was in place did the firm begin automating capital call processes. The result: reduced rework, faster deployment, and greater user confidence.

Change is not linear, but sequencing creates momentum and allows lessons from one phase to improve the next.

Measurement is key. Institutions should track both technical metrics (like system latency, STP rate, reconciliation errors) and human ones (staff engagement, satisfaction, error rates post-go-live). Only with holistic measurement can transformation be sustained.

DEFINING METRICS FOR OPERATIONAL SUCCESS

In a fast-changing operating environment, you cannot manage what you do not measure. As new capabilities are introduced and legacy systems are retired, firms need metrics that reflect modern priorities, not just historical efficiency.

WE RECOMMEND TRACKING ACROSS FIVE DOMAINS:

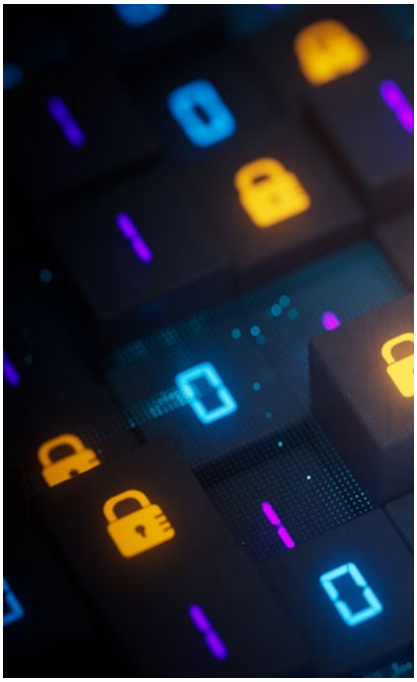
1. **Client satisfaction** – Especially responsiveness, onboarding duration, and user feedback
2. **Operational efficiency** – STP rates, exception rates, cycle times
3. **Risk management** – Incidents, control breaks, audit findings, vendor SLA breaches
4. **Data quality** – Source reliability, duplication rate, lineage coverage
5. **Innovation velocity** – Feature deployment rates, AI usage, feedback cycles

One asset manager created a transformation dashboard visible to all department heads. Updated monthly, it tracked onboarding speed, reconciliation quality, client satisfaction, and automation penetration. These metrics were used to prioritize sprints and vendor negotiations.

Importantly, these dashboards weren't just for project managers. They were shared with operations analysts, client service teams, and even regulators. This transparency fostered accountability and culture change and demonstrated to stakeholders that modernization was more than just rhetoric

FUTURE-PROOFING THE OPERATING MODEL

The pace of change in the financial services industry is accelerating. To remain competitive, operating models must be designed not just for current demands but for the uncertainties of the next decade.



FUTURE-READY MODELS SHARE SEVERAL ATTRIBUTES:

Composable architecture: The ability to mix, match, and replace services without wholesale rebuilds

Data-centric design: Data flows are prioritized over application logic; systems are built around clean, reusable data layers

AI-augmented workflows: AI tools are integrated into decision flows and quality control loops, not bolted on

Interoperability: Systems can communicate securely with external providers, regulators, and clients via APIs

Embedded compliance: Regulatory controls are integrated into platforms, not retrofitted

Forward looking and engaged teams: Thoughtful, cross-functional teams that represent a diverse array of perspectives and functions.

We supported one institutional client that shifted from a product-aligned to a capability-aligned operating model. Instead of siloed teams by asset class, they created shared services for cash forecasting, reconciliation, and investor reporting. Each service had dedicated APIs, SLAs, and embedded analytics. This allowed the client to onboard new mandates 40 per cent faster and respond to regulatory audits in hours instead of days.

Another client began their future-proofing journey by creating a “technology debt heatmap” identifying aging platforms, undocumented processes, and high-control-risk zones. This visibility helped leadership prioritize investments and secure funding with a clear ROI narrative.

The goal is not perfection, but rather progress and adaptability. Firms that build in feedback loops, modular designs, and cultural agility will be positioned to evolve as markets, clients, and technologies shift.

COMPARATIVE VIEWS: WHAT THE LEADERS ARE DOING DIFFERENTLY

Across CIBC Mellon's network, we see a range of institutional behaviours. Some firms approach transformation defensively, reacting to regulation or cost pressure. Others take a more proactive, client-led stance. The difference in outcomes is significant.

LEADERS IN OPERATING MODEL MODERNIZATION TEND TO:

Involve the business early: Transformation isn't solely the province of IT, but rather business leads co-own the roadmap and transformation teams are multi-function.

Treat data as a shared asset: Data stewards are embedded in the business, not just in technology

Run agile portfolios: Initiatives are broken into releases, with rapid feedback and iteration

Invest in change leadership: Training, communication, and recognition are as important as tools

Balance innovation with governance: AI, cloud, and open architecture are rolled out with embedded control frameworks

For example, one large Canadian pension plan established an internal "Transformation Council" composed of senior leaders across investments, operations, and technology. This council met monthly to oversee strategic alignment, prioritize funding, and resolve cross-functional issues. It helped break down silos and kept modernization tied to business outcomes, not just technical deliverables.

In contrast, another organization pursued a large-scale platform replacement without front-line involvement. While technically successful, the rollout suffered from low adoption, shadow workarounds, and missed deadlines. Five months post-launch, they re-initiated workshops with users to rebuild trust and usability.

The takeaway: technology changes nothing on its own. Leadership, culture, and user experience are what drive success.

LESSONS LEARNED: WHAT MAKES OPERATING MODEL CHANGE STICK

OVER THE COURSE OF WORKING WITH A WIDE RANGE OF INSTITUTIONAL INVESTORS AND FINANCIAL INSTITUTIONS, A SET OF COMMON LESSONS HAS EMERGED. THESE HOLD TRUE REGARDLESS OF GEOGRAPHY, ASSET CLASS, OR ORGANIZATIONAL SIZE.

1. **Start with strategy:** Tie operating model goals to business strategy. Are you growing AUM? Expanding into new markets? Increasing private asset exposure? The answers should drive design.
2. **Don't underestimate data:** If your reference data is inconsistent, your reports will be too. Fix the plumbing before adding new features.
3. **Sequence matters:** Begin with the foundational data, controls, governance before tackling advanced tools or client interfaces.
4. **Measure what matters:** Track technical, operational, and human KPIs. Celebrate progress, and course-correct transparently.
5. **Plan for resilience:** Build contingency plans for every critical dependency, including cloud vendors, APIs, and AI models.
6. **Invest in people:** Train staff not just on systems, but on principles: data literacy, digital ethics, and agile ways of working.
7. **Modularity beats monoliths:** You won't get it all right the first time. Modular design allows you to adjust without re-platforming.
8. **Co-create with clients:** Your operating model is a client experience tool. Bring users into the design process early and often.
9. **Governance is a differentiator:** Firms that can explain and demonstrate their controls to clients, auditors, and regulators build trust and reputation.
10. **Modernization is never finished:** The best firms treat transformation as a permanent capability, not a one-time project.

Operating model transformation is not a destination. It is an ongoing capacity, a set of habits, capabilities, and decisions that allow the organization to adapt, learn, and lead.

CONCLUSION: FROM BACK OFFICE TO BUSINESS ENABLER

The role of operations in the securities services industry has changed. Once viewed as a cost center or support function, operations now sit at the core of how institutions deliver client value, manage risk, and enable growth.

The operating model is no longer a back-office concern. It is a strategic asset.

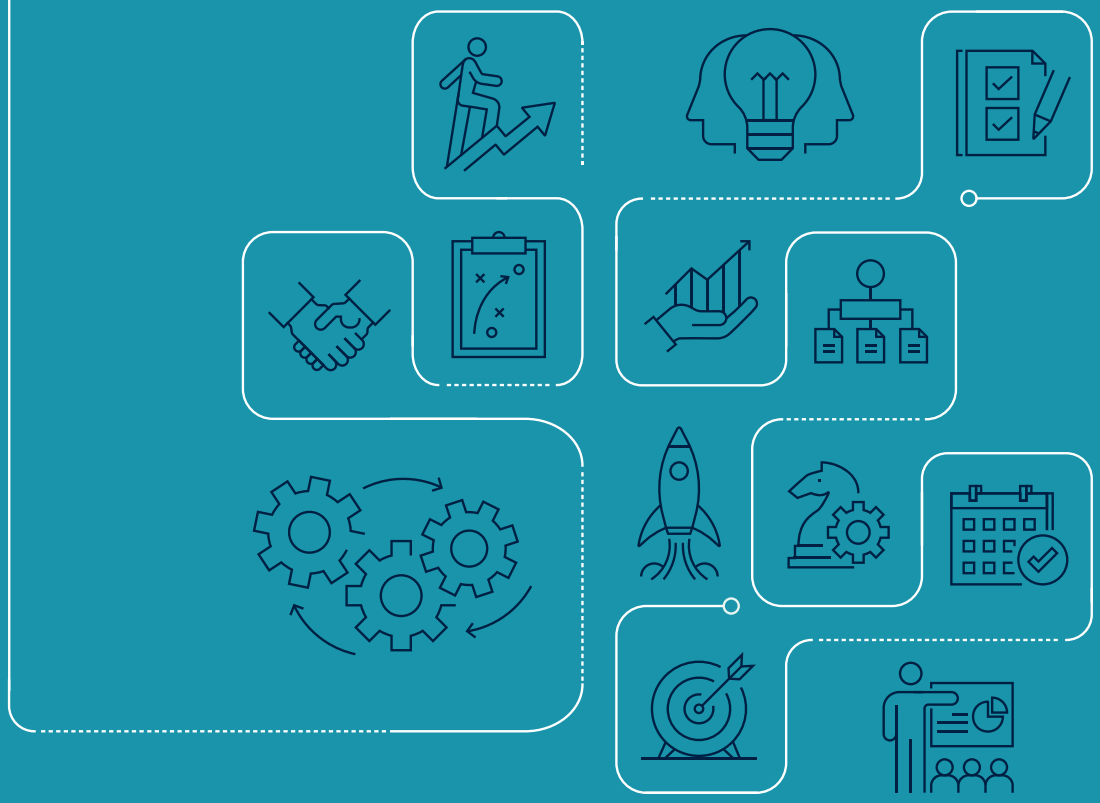
To deliver on this promise, organizations must balance the pursuit of efficiency with the drive for capability. They must consolidate legacy systems while preparing for new asset classes and digital interfaces. They must embed data intelligence, integrate AI, and manage growing regulatory complexity all without compromising service, control, or trust.

At CIBC Mellon, we've seen that the firms best positioned for the future are not those with the most technology, but those with the clearest purpose, strongest governance, and most adaptable people

Whether you are a custodian, investment manager, pension plan, or administrator, the path forward will require thoughtful design, collaborative leadership, and a commitment to continuous evolution.

The rewards are real: stronger resilience, faster time to market, improved client experience, and operational alpha in a competitive industry.

The operating model is the engine of the enterprise. Build it for what's next.



FOR MORE INFORMATION

CIBC Mellon is pleased to engage with clients on this front and continue the conversation. Please contact your Relationship Manager if you would like more information or call us at 416-643-5000.

FOOTNOTES

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