Annex

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1,2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Product name: BNY Mellon Global Short-Dated High Yield Bond Fund

Legal entity identifier: 213800B8FEADSCHQLG79

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**	●○ ☑ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: ___%	☑ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of **5.00%** of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☑ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☑ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes a minimum environmental and/or social standard that seeks to mitigate or avoid practices that the Investment Manager deems environmentally and/or socially detrimental. Exclusion criteria are used to achieve this minimum standard.

For example, issuers that derive a certain percentage of revenue as determined by the Investment Manager from tobacco production, unconventional oil and gas extraction, controversial weapons, production thermal coal mining and/or thermal coal power generation and gambling are excluded. Issuers will also be excluded where, in the opinion of the Investment Manager, the issuers are deemed to have violated the minimum standards of business practices represented in widely accepted global conventions.

A reference benchmark has not been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The following sustainability indicators will be used to measure whether the Sub-Fund is attaining the environmental and/or social characteristics it promotes:

UN SDGs: (1) An assessment of whether the Sub-Fund has successfully and consistently invested a minimum of 5% of its Net Asset Value in aggregate in Use of Proceeds Impact Bonds, Impact Issuers and/or Improving Issuers, each of which qualify as “Sustainable Investments” pursuant to SFDR. (2) An assessment of whether, as applicable:

- such Impact Issuers demonstrate that at least 20% of their revenue streams are aligned to help realising one or more of the 17 UN SDGs or at least 20% of their economic activities are compliant with the EU Taxonomy Regulation

- such Improving Issuers demonstrate that their core investment plans (affecting at least 20% of their revenue streams, capital expenditure and/or operating expenditure including non-capitalised costs that represent research and development) are compliant with the EU Taxonomy Regulation, and
- in the case of Use of Proceeds Impact Bonds, the proceeds raised are aimed to be exclusively applied to finance or re-finance in part or in full projects that demonstrate a clear alignment to helping realise one or more of the 17 UN SDGs and/or are defined as "environmentally sustainable economic activities" by the EU Taxonomy Regulation

Exclusion Policy: An assessment of whether the Sub-Fund has successfully and consistently executed its exclusion policy (details of which are set out below).

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objective of the sustainable investments that the Sub-Fund partially intends to make is to aim to achieve positive environmental and/or social impacts.

The Sub-Fund will invest in three types of sustainable investments:

- Use of Proceeds Impact Bonds: These sustainable investments contribute to the sustainable investment objective as their proceeds are aimed to be exclusively applied to finance or re-finance in part or in full projects with positive environmental and/or social impacts using the UN SDGs as a guide to environmental targets and/or are defined as "environmentally sustainable economic activities" by the EU Taxonomy Regulation
- Debt securities issued by Impact Issuers: These sustainable investments contribute to the sustainable investment objective as at least 20% of their revenue streams are linked to positive environmental and/or social impacts using the UN SDGs as a guide to environmental targets or where at least 20% of their economic activities are compliant with the EU Taxonomy Regulation
- Debt securities issued by Improving Issuers: These sustainable investments contribute to the sustainable investment objective as their core investment plans (affecting at least 20% of their revenue streams, capital expenditure and/or operating expenditure including non-capitalised costs that represent research and development) are compliant with the EU Taxonomy Regulation.

Sustainable investments may include investments which aim to achieve positive environmental impacts by contributing to:

- climate change mitigation;
- climate change adaptation;
- the sustainable use and protection of water and marine resources;
- the transition to a circular economy;
- pollution prevention and control; and/or
- the protection and restoration of biodiversity and ecosystems.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The SFDR Sustainable Investments do not cause significant harm to any environmental or social sustainable investment objective because they are not categorised by external data provider(s) as "strongly misaligned' to the UN SDGs, nor are they in breach of the principal adverse impacts ("PAIs") thresholds set by the Investment Manager, or where assessed under the EU Taxonomy, they must be compliant with the EU Taxonomy.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anticorruption and antibribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Sub-Fund takes into account the following PAIs from:

Table 1 of Annex I of the Commission Delegated Regulation:

- 1) GHG Emissions: Scope 1, 2 and 3
- 2) Carbon Footprint: Scope 1, 2 and 3
- 3) GHG Intensity of Investee Companies: Scope 1, 2 and 3
- 4) Exposure to companies active in the fossil fuel sector
- 5) Share of non-renewable energy consumption and production
- 6) Energy consumption intensity per high impact climate sector: NACE A, B, C, D, E, F, G, H and L
- 7) Activities negatively affecting biodiversity-sensitive areas

- 8) Emissions to water
- 9) Hazardous waste and radioactive waste ratio
- 10) Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- 11) Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- 12) Unadjusted gender pay gap
- 13) Board gender diversity
- 14) Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons).

It should also be noted that while each indicator in Table 1 of Annex I of the Commission Delegated Regulations is considered, it is currently not possible to calculate the carbon footprint of each potential sustainable investment as envisaged in Annex I.

The Sub-Fund's investment in an issuer is screened against the PAIs at the time of investment. Further, the PAIs are measured against certain defined thresholds set by the Investment Manager. After a PAI threshold has been breached the investment will be excluded from the Sub-Fund's allocation to SFDR Sustainable Investments.

PAI Data Availability

The Investment Manager is dependent upon information and data from third party data providers in order to be able to consider principal adverse impacts on sustainability factors. The availability and quality of such data impacts the extent to which each such PAI can be taken into account. In particular, the lack or incomplete reporting of metrics by some issuers means that there is currently only limited data on some adverse indicators. As such for some of the mandatory PAIs listed above, data coverage may be very low. The Investment Manager's analysis of adverse indicators relies on this third-party information and data, and where such information is not available or is incomplete, the Investment Manager's analysis of adverse indicators is necessarily limited. As the data availability improves over time, it is expected that PAIs can be applied to a greater portion of the Investment Manager's investable universe. This will allow for enhanced insight into the adverse impacts caused by issuers.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights (the "Responsible Business Practices") collectively cover a very broad range of areas of responsible business, encompassing everything from labour rights to consumer protection to support for internationally recognised human rights within a company's or issuer's sphere of influence.

SFDR Sustainable Investments are considered aligned with the Responsible Business Practices unless the issuer does not pass a broad controversy screen provided by a third party which either directly covers one or more of the Responsible Business Practices or is considered an appropriate proxy for one or more of the Responsible Business Practices. In should be noted that, in the absence of relevant data, SFDR Sustainable Investments will be assumed to be aligned with the Responsible Business Practices.

However, where the issuers invested in do not pass the screen referred to above, the Investment Manager retains discretion to establish alignment with the Responsible Business Practices solely on the basis of its own review of the issuer.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☑ Yes, The Sub-Fund considers the following PAIs from Table 1 of Annex I of the Commission Delegated Regulation:

- 10.Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- 11.Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- 14.Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons).

The PAIs are measured against defined thresholds. If the data for a PAI indicates a threshold has been breached the Investment Manager will exclude the issuer from the Sub-Fund or take synthetic short exposure to the issuer.

Reporting on consideration of PAIs will be available in an annex to the annual report of the Sub-Fund.

Please see 'PAI Data Availability' for further information on the PAI data sources and limitations

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

As set out in the Supplement, the Sub-Fund follows an actively managed global short-dated high yield bond strategy. The Investment Manager is looking for companies whose debt it considers to be under-valued and high yielding versus similar debt. Further details on the Sub-Fund's strategy are set out in the "Investment Strategy" section of the Supplement.

ESG restrictions, which includes the Investment Manager's proprietary ESG ratings and third-party data, aim to prevent or permit investment in securities based on their ESG-related characteristics.

The investment strategy is implemented in the investment process on a continuous basis by requiring the investments to comply with the binding elements described below both at time of purchase and on an ongoing basis.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

  The Sub-Fund shall invest a minimum of 5% of Net Asset Value in aggregate in SFDR Sustainable Investments and exclude issuers that, in the opinion of the Investment Manager:

  - Derive more than 5% of their revenue from the production of tobacco;
  - Derive more than 5% of revenues from unconventional oil and gas extraction unless: a) the exposure is achieved via a use of proceeds impact bond which meets the definition of an SFDR Sustainable Investment and passes the Investment Manager's own assessment framework. The framework considers, but is not limited to, the transparency around how proceeds raised by the issuance are allocated and the measurability of any impact which is achieved. Securities are rated dark green (best-in-class), light green (some weakness in sustainability criteria) or red (don't invest). Securities rated red will be excluded; and b) the Investment Manager believes the issuer has a robust, clearly defined, long-term plan to address its environmental impact; and c) the Investment Manager considers the instrument issued meets its ESG criteria;
  - Are involved in the production of controversial weapons;
  - Derive more than 5% of their revenue from thermal coal mining and/or more than 10% of revenue from thermal coal power generation, unless: a) The issue purchased is a use-of-proceeds impact bond which passes the Investment Manager's own assessment framework; and/or b) The issuer has a robust and clearly defined plan to reduce emissions in line with the Paris agreement goals, within the assessment of the Investment Manager; and/or c) The issuer has a clearly defined plan to exit coal mining and/or generation before (i) 2030 in the case of developed market domiciled issuers or (ii) 2040 in the case of emerging market domiciled issuers;
  - Derive more than 5% of revenues from gambling;
  - Are deemed to be involved in severe environmental, social or governance controversies (including significant violations of UN Global Compact Principles).

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

  There is no commitment to reduce the scope of the investments by a minimum rate.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- **What is the policy to assess good governance practices of the investee companies?**

  Whilst the SFDR references four key areas of good governance (sound management structures, employee relations, remuneration of staff and tax compliance), the Investment Manager considers that a good governance assessment of corporate issuers should cover a broad range of factors in relation to the system by which companies undertake their activities. The Investment Manager primarily considers this system through two processes. Firstly, and where relevant data is available, the Investment Manager will assess whether there are any known controversies in relation to a corporate entity's practices which demonstrate a severe violation of established norms thereby indicating a failure of broader governance mechanisms. External data providers will be used to support this assessment with governance oversight from relevant internal groups and companies deemed to fail this assessment will be excluded from investment. Secondly, the Investment Manager will also exclude any corporate issuer which has the lowest overall fund-relevant ESG rating using the Investment Manager's own proprietary rating system. These ratings aim to provide an overall view of the controls and processes that a company employs to govern its business and the lowest overall ESG rating typically indicates a company with an insufficient framework to mitigate key ESG risks and a failure to meet baseline expectations for corporate governance.

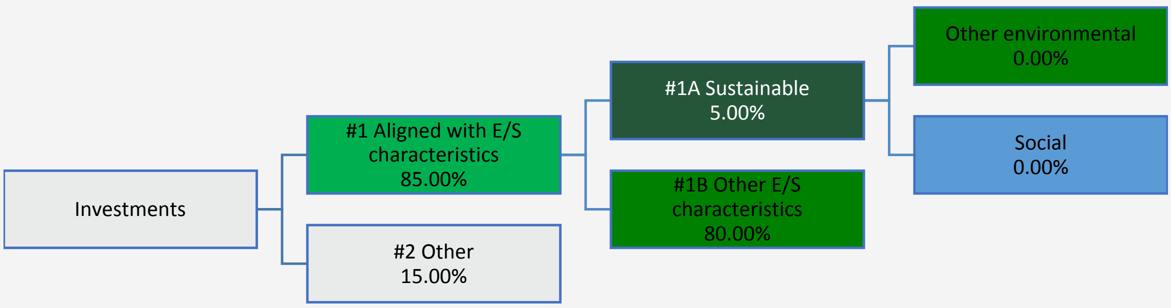
What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

A minimum of 50% of Net Asset Value will be used to meet the environmental or social characteristics promoted by the Sub-Fund in accordance with the binding elements of the investment strategy.

The asset allocation diagram is intended to illustrate the typical asset allocation of this Sub-Fund. However, the asset allocation of the Sub-Fund and the asset allocation between the environmental and social objectives is not fixed and may vary from the asset allocation illustrated in the diagram. The Sub-Fund is committed to investing a minimum of 5% of Net Asset Value in aggregate in SFDR Sustainable Investments which have an environmental objective and/or a social objective. The Sub-Fund does not commit to invest a minimum percentage of Net Asset Value in SFDR Sustainable Investments which have specifically an environmental objective or specifically a social objective.

The Sub-Fund promotes environmental or social characteristics using both an exclusionary approach and allocations to certain SFDR Sustainable Investments. The figure in #1 represents a combination of both approaches. The minimum allocation to SFDR Sustainable Investments is referenced in #1A. The figure in #1B below represents the proportion of the portfolio that has excluded certain types of investments as further detailed in 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' above and therefore such proportion of the portfolio is aligned with the environmental or social characteristics promoted by the Sub-Fund solely through the absence of those investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Derivatives (FDI) can be used to attain the environmental or social characteristics promoted by the Sub-Fund by providing indirect exposure to, better scoring ESG names in line with the Sub-Fund's investment strategy and synthetic short exposure to excluded issuers including those that have breached a PAI threshold set by the Investment Manager. For the avoidance of doubt, FDI are not used to gain exposure to SFDR Sustainable Investments.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%. There is no minimum extent to which SFDR Sustainable Investments with an environmental objective held by the Sub-Fund are aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [1]?

☐ Yes:

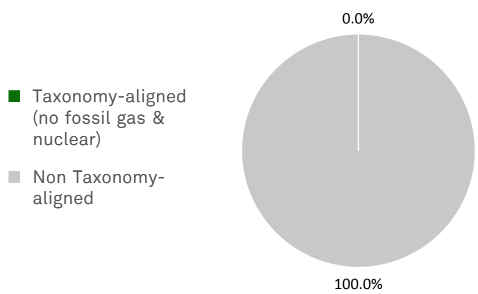
☐ In fossil gas ☐ In nuclear energy

☑ No

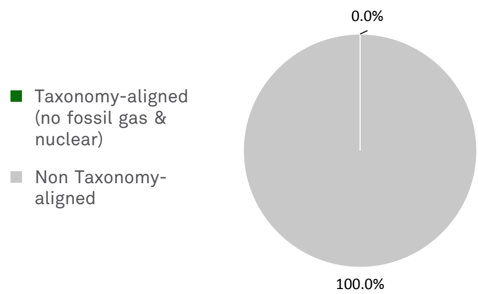
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.*

1. Taxonomy-alignment of investments including sovereign bonds*



2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 100% of the total investments

** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

What is the minimum share of investments in transitional and enabling activities?

Transitional activities: 0.00%

Enabling activities: 0.00%

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

While the Sub-Fund is committed to investing a minimum of 5% of Net Asset Value in SFDR Sustainable Investments which may include SFDR Sustainable Investments with an environmental objective, there is no commitment to invest a minimum percentage of Net Asset Value in SFDR Sustainable Investments with an environmental objective that are not aligned with the EU Taxonomy.

Where the Sub-Fund invests in SFDR Sustainable Investments with an environmental objective, such investments will not be Taxonomy-aligned. This is because the Investment Manager does not currently take into account the EU Criteria for Environmentally Sustainable Economic Activities in determining whether economic activities contribute to an environmental objective or not.

What is the minimum share of socially sustainable investments?

While the Sub-Fund is committed to investing a minimum of 5% of Net Asset Value in SFDR Sustainable Investments which may include SFDR Sustainable Investments with a social objective, there is no commitment to invest a minimum percentage of Net Asset Value in SFDR Sustainable Investments with a social objective.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments included under “#2 Other” are:

- Liquid and near-cash assets including cash, that are used for ancillary liquidity purposes
- Collective Investment Schemes (CIS) that are used for liquidity purposes
- Derivatives (FDI) that are used for hedging purposes.

No minimum environment or social safeguards are considered for these investments.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

  Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

  Not applicable.

- **How does the designated index differ from a relevant broad market index?**
  Not applicable.
- **Where can the methodology used for the calculation of the designated index be found?**
  Not applicable.

Where can I find more product specific information online?

More product-specific information can be found on the website: www.bnymellonim.com