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Allfunds Bank SAU Luxembourg Branch
30 Boulevard Royal
Luxembourg
L-2449

16 August 2024

Dear Sir/Madam,

This letter contains important information about your investment(s) in one or more of the sub-funds of BNY Mellon Investment Funds (BNY MIF).

BNY Mellon Fund Managers Limited (BNY MFM) is the authorised corporate director for this fund range.

No action is required from you.

We, BNY MFM, regularly review our disclosures and products and as a result, we plan to make some updates and clarifications. Details of these are provided below.

1. Updates to the expenses included in the registration and general expenses charges payable to BNY MFM for all sub-funds in BNY MIF

Investors pay a registrations and expenses charge. This charge cannot exceed a maximum % which is disclosed in the Prospectus without notice to investors.

The Prospectus lists the types of ongoing expenses that comprise this charge and provides some detail. We are updating the list to provide further clarity on the types of expenses which can be included in this charge.

It is important to note that the amount charged to you as an investor is not changing as a result of these clarifications.

Appendix 1 sets out the revised list of expenses included in the registrations and expenses charge.

This update will be effective on or around **16 October 2024**.

2. Updates to the BNY Mellon Real Return Fund (RR) and BNY Mellon Sustainable Real Return (SRR) Fund, both sub-funds of BNY MIF

We are updating the investment objective and policy of RR and SRR. There will be no change to the risk profile of either sub-fund and no change to the way the sub-funds are managed. Instead, the updates clarify the sub-funds' investment strategies and, we believe, provide a more accurate reflection of the how the investment manager, Newton Investment Management Limited, manages the sub-funds.

Appendix 2 sets out comparisons of the RR and SRR current and revised investment objectives and policies.

A detailed description of the performance range for RR and SRR's investment strategies and risk budgets are now included within the investment policy section of each sub-fund's supplement.

These clarifications to RR and SRR's investment objectives and policies will take effect on or around **16 October 2024**.

3. Update to the Responsible Horizons Strategic Bond Fund (RHSB), a sub-fund of BNY MIF

We are updating the RHSB to remove the 35% investment limit in a single issuer of government and public securities and include additional abilities to invest up to 100% in government and other securities. This is to allow greater flexibility for the investment manager, Insight Investment Management (Global) Limited, to achieve the RHSB's objective.

The RHSB has been managed in compliance with the 35% limit to date and there will be no change to its risk profile as a result of this change.

The update to RHSB's investment policy to reflect the above will take effect on or around **16 October 2024**.

4. Clarifications to the Instrument of Incorporation

We are updating the Instrument of Incorporation to clarify that the sub-funds listed below can invest up to 100% in government and other securities:

- BNY Mellon FutureLegacy 3 Fund
- BNY Mellon FutureLegacy 4 Fund
- BNY Mellon FutureLegacy 5 Fund
- BNY Mellon FutureLegacy 6 Fund
- BNY Mellon Future Legacy 7 Fund
- BNY Mellon Multi-Asset Moderate Fund
- BNY Mellon Real Return Fund
- BNY Mellon Sustainable Global Dynamic Bond Fund

This is a clarification to the Instrument of Incorporation only and the Prospectus (appendix II, section 16.5.) already states these sub-funds can invest up to 100% in government and other securities.

Therefore, there will be no change to way that the sub-funds are managed or their risk profile as a result of this change.

This clarification to the Instrument of Incorporation will take effect on or around **16 October 2024**.

The FCA has confirmed all the updates and clarifications mentioned above do not affect the sub-funds' ongoing authorisation.

Copies of the revised Prospectus, Instrument of Incorporation and Key Investor Information Documents incorporating the various updates and clarifications described above will be available on request and from our website, www.bnymellonim.com, from the effective dates of each item, as set out above.

If you have any questions, please contact our client service centre, which is open Monday to Friday, 8.30am until 5.30pm, excluding bank holidays.

Yours faithfully,

Caylie Stallard

Director

For and on behalf of BNY Mellon Fund Managers Limited

To help us continually improve our service and in the interest of security, we may monitor and/or record your telephone calls with us.

Appendix 1:

Current charges included in the ongoing registration and general expenses	Revised charges included in the ongoing registration and general expenses from on or around 16 October 2024
<p>In addition to the annual management charge, the ACD or companies in its group will pay, on behalf of the Company, the following ongoing registration and general expenses:</p> <ol style="list-style-type: none"> 1. fees and expenses in respect of establishing and maintaining the register of Shareholders and any sub register of Shareholders (as defined in the FCA Regulations); 2. any costs incurred in or about the listing of Shares in the Company on any Stock Exchange, and the issue, conversion and cancellation of Shares; 3. any costs incurred by the Company in publishing the price of the Shares; 4. any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company; 5. any fees, expenses or disbursements of any legal or other professional adviser of the Company; 6. any costs incurred in taking out and maintaining an insurance policy in relation to the Company; 7. any costs incurred in respect of meetings of Shareholders convened for any purpose including those convened on a requisition by Shareholders not including the ACD or an associate of the ACD and otherwise communicating with Shareholders in accordance with FCA Regulations; 8. liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Sub-Funds in consideration for the issue of Shares as more fully detailed in the FCA Regulations; 9. interest on borrowings and charges incurred in effecting or terminating those borrowings or in negotiating or varying the terms of the borrowings; 10. any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company; 11. any payments otherwise due by virtue of the FCA Regulations; and 12. any value added or similar tax relating to any charge or expense. 	<p>In addition to the annual management charge, the ACD or companies in its group will pay, on behalf of the Company, the following ongoing registration and general expenses:</p> <ol style="list-style-type: none"> 1. fees and expenses in respect of establishing and maintaining the register of Shareholders and any sub register of Shareholders (as defined in the FCA Regulations) including costs associated with initial and ongoing due diligence and anti-money laundering reviews; 2. any costs incurred in or about the listing of Shares in the Company on any Stock Exchange, and the issue, conversion and cancellation of Shares; 3. any costs incurred by the Company in publishing the price of the Shares; 4. any costs incurred in producing and dispatching any payments made by the Company, or the yearly and half-yearly reports of the Company; 5. any fees, expenses or disbursements of any legal or other professional adviser of the Company; 6. any costs incurred in taking out and maintaining an insurance policy in relation to the Company; 7. any costs incurred in respect of meetings of Shareholders convened for any purpose including those convened on a requisition by Shareholders not including the ACD or an associate of the ACD and otherwise communicating with Shareholders in accordance with FCA Regulations including any costs incurred in creating or amending documentation relating to the Company including the Prospectus and KIIDs; and the cost of printing, translating and distributing material for regulatory purposes; 8. liabilities on unitisation, amalgamation or reconstruction including certain liabilities arising after transfer of property to the Sub-Funds in consideration for the issue of Shares as more fully detailed in the FCA Regulations; 9. interest on borrowings and charges incurred in effecting or terminating those borrowings or in negotiating or varying the terms of the borrowings; 10. any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books and other documentation required to be maintained by the Company; 11. any payments otherwise due by virtue of the FCA Regulations including costs incurred in connection with complying with updates to the FCA Regulations. Such costs may include reporting and data costs; and 12. any value added or similar tax relating to any charge or expense.



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Appendix 2:

BNY Mellon Real Return Fund

Current investment objective and policy	Revised investment objective and policy from on or around 16 October 2024
<p>Investment Objective</p> <p>The objective of the Sub-Fund is to achieve a rate of return in sterling terms that is equal to or above a minimum return from cash (SONIA (30-day compounded)) + 4% per annum over five years before fees. In doing so, it aims to achieve a positive return on a rolling three year basis (meaning a period of three years, no matter which day you start on). However, capital is in fact at risk and there is no guarantee that this will be achieved over that, or any, time period.</p> <p>Investment Policy</p> <p>To achieve its investment objective, the Sub-Fund will invest in a broad diversified range of asset classes. The Sub-Fund may invest directly or indirectly in equities, fixed interest securities, currencies, cash, near cash, deposits, warrants, infrastructure, renewable energy, property, commodities and approved money market instruments. Exposure to these asset classes is expected to be achieved through a combination of transferable securities (such as company shares, convertible bonds, contingent convertible bonds, listed investment trusts, REITs, bonds, structured notes), collective investment schemes (which may include those managed or operated by the ACD or an associate of the ACD) and derivatives. Exposure to infrastructure, renewable energy, property or commodities will be gained through exchange listed securities and/or collective investment schemes. Any investment in collective investment schemes will not exceed 10% of the portfolio.</p> <p>The Sub-Fund does not have any restrictions on the portion of the Sub-Fund allocated to any of these asset classes. The Sub-Fund may invest in any geographic or economic sectors of the world.</p> <p>The Sub-Fund may invest more than 35% of its assets in government and public securities issued or guaranteed by a single state, local authority or public international body. The Sub-Fund may invest in fixed income securities rated below investment grade (BBB-) by Standard & Poor's (or equivalent recognised rating agency).</p> <p>Derivatives may be used with a view to generating investment returns in pursuit of the Sub-Fund's investment objective and for Efficient Portfolio Management. It is not expected that the use of derivatives will materially affect the overall risk profile of the Sub-Fund.</p> <p>The Investment Manager may use alternative risk premia strategies, hereafter referred to as 'ARP' strategies, to implement the investment strategy. ARP strategies seek to gain exposure to risk premia (the return or reward an investor earns to bear risk) that would not usually be directly accessible through traditional investment instruments (for example by investing directly in equities or bonds).</p> <p>ARP strategies are typically accessed through systematic, rules-based approaches which often use quantitative techniques and can be implemented through a range of instruments (including structured notes, derivative instruments and collective investment schemes),</p> <p>No more than 8.5% of Net Asset Value of the Sub-Fund will be allocated to gaining exposure to ARP strategies.</p> <p>The Sub-Fund uses SONIA (30-day compounded) + 4% per annum over five years before fees as a target set for the Sub-Fund's</p>	<p>Investment Objective</p> <p>The Sub-Fund seeks to deliver positive returns on a rolling 3 year basis after fees.</p> <p>The Sub-Fund aims to deliver positive returns before fees within a range of cash (SONIA (30-day compounded)) on a rolling 3 year basis and cash (SONIA (30-day compounded)) + 4% per annum on a rolling 5 year basis (meaning a period of three years or five years respectively, no matter which day you start on).</p> <p>However, positive returns are not guaranteed and a capital loss may occur.</p> <p>Investment Policy</p> <p>The Sub-Fund is actively managed as a multi-asset fund that invests in a portfolio of UK and international securities across a broad diversified range of asset classes.</p> <p>The Sub-Fund may invest in the following asset classes: equities, fixed interest securities, alternative assets classes (such as infrastructure, renewable energy, property and commodities), currencies, cash, near cash, deposits, warrants and approved money market instruments.</p> <p>Exposure to these asset classes is expected to be achieved through a combination of transferable securities (such as company shares, convertible bonds, contingent convertible bonds, closed end funds, REITs, bonds and structured notes), collective investment schemes (which may include those managed or operated by the ACD or an associate of the ACD) and derivatives.</p> <p>To the extent the Sub-Fund gains exposure to alternative asset classes such as infrastructure, renewable energy, property or commodities, such exposure may be through exchange listed securities, other transferable securities and/or collective investment schemes.</p> <p>The Investment Manager actively manages the Sub-Fund's allocation between asset classes. The asset allocation will vary and at any given time there may be no exposure to particular asset classes.</p> <p>No more than 10% of the Net Asset Value of the Sub-Fund will be allocated to collective investment schemes.</p> <p>No more than 10% of the Net Asset Value of the Sub-Fund will be allocated to investments in contingent convertible bonds.</p> <p>The Sub-Fund may allocate more than 35% of its Net Asset Value to government and public securities issued or guaranteed by a single state, local authority or public international body. The Sub-Fund may invest in fixed income securities rated below investment grade (BBB-) by Standard & Poor's (or equivalent recognised rating agency).</p> <p>In extreme market conditions, the Sub-Fund may invest significantly in cash and cash-like securities.</p> <p>The Sub-Fund may invest in any geographic or economic sectors of the world.</p>

performance to match or exceed. The ACD considers SONIA (30-day compounded) + 4% per annum over five years before fees to be an appropriate target because the ACD believes in typical market conditions that it represents a target that will be equal to or greater than UK inflation rates over the same period and is commensurate with the Investment Manager's approach.

Derivatives may be used with a view to generating investment returns in pursuit of the Sub-Fund's investment objective and for Efficient Portfolio Management. It is not expected that the use of derivatives will materially affect the overall risk profile of the Sub-Fund

The Investment Manager may use alternative risk premia strategies, hereafter referred to as 'ARP' strategies, to implement the investment strategy. ARP strategies seek to gain exposure to risk premia (the return or reward an investor earns to bear risk) that would not usually be directly accessible through traditional investment instruments (for example by investing directly in equities or bonds).

ARP strategies are typically accessed through systematic, rules-based approaches which often use quantitative techniques and can be implemented through a range of instruments (including structured notes, derivative instruments and collective investment schemes),

No more than 8.5% of Net Asset Value of the Sub-Fund will be allocated to gaining exposure to ARP strategies.

The Sub-Fund's returns are expected to sit within a range, dependent on the length of time over which performance is measured. The minimum expected level of returns (before fees) on rolling annualised 3 year basis is SONIA (30-day compounded). The ACD considers this to be an appropriate threshold for expected returns since it is representative of cash returns. The upper level of expected returns (before fees), on a longer, rolling annualised 5 year basis, is SONIA (30-day compounded) + 4%. The ACD considers this to be an appropriate upper threshold for expected returns over the longer rolling period since it represents UK inflation rates over the same period and is commensurate with the Investment Manager's approach. For the avoidance of doubt, a rolling 3 year basis and a rolling 5 year basis refer to a period of 3 year or 5 years respectively, regardless of the start date.

BNY Mellon Sustainable Real Return Fund

Current investment objective and policy	Revised investment objective and policy from on or around 16 October 2024
<p>Investment Objective</p> <p>The Sub-Fund seeks to achieve a rate of return in sterling terms that is equal to or above the return from cash (SONIA (30-day compounded)) + 4% per annum over five years before fees. In doing so, it aims to achieve a positive return on a rolling three year basis (meaning a period of three years, no matter which day you start on). However, capital is in fact at risk and there is no guarantee that this will be achieved over that, or any, time period.</p> <p>Investment Policy</p> <p>To achieve its investment objective, the Sub-Fund will invest predominantly, meaning at least 75%, in a portfolio of UK and international securities across a broad diversified range of asset classes.</p> <p>The Sub-Fund may invest directly or indirectly in equities, fixed interest securities, currencies, cash, near cash, deposits, warrants, infrastructure, renewable energy, property, commodities and approved money market instruments. Exposure to these asset classes is expected to be achieved through a combination of transferable securities (such as company shares, convertible bonds, contingent convertible bonds, listed investment trusts, REITs, bonds, structured notes), collective investment schemes (which may include those managed or operated by the ACD or an associate of the ACD) and derivatives. Exposure to infrastructure, renewable energy, property or commodities may be gained through exchange listed securities and/or collective investment schemes. Any investment in collective investment schemes will not exceed 10% of the portfolio.</p> <p>Issuers eligible for investment are expected to demonstrate an ability to generate returns consistent with the Sub-Fund's objective and</p>	<p>Investment Objective</p> <p>The Sub-Fund seeks to deliver positive returns on a rolling 3 year basis after fees.</p> <p>The Sub-Fund aims to deliver positive returns before fees within a range of cash (SONIA (30-day compounded)) on a rolling 3 year basis and cash (SONIA (30-day compounded)) + 4% per annum on a rolling 5 year basis (meaning a period of three years or five years respectively, no matter which day you start on).</p> <p>However, positive returns are not guaranteed and a capital loss may occur.</p> <p>Investment Policy</p> <p>The Sub-Fund is actively managed as a multi-asset fund that will invest predominantly, meaning at least 75%, in a portfolio of UK and international securities across a broad diversified range of asset classes.</p> <p>The Sub-Fund may invest in the following asset classes: equities, fixed interest securities, alternative asset classes (such as infrastructure, renewable energy, property and commodities), currencies, cash, near cash, deposits, warrants, and approved money market instruments.</p> <p>Exposure to these asset classes is expected to be achieved through a combination of transferable securities (such as company shares, convertible bonds, contingent convertible bonds, closed end funds, REITs, bonds and structured notes), collective investment schemes (which may include those managed or operated by the ACD or an associate of the ACD) and derivatives.</p>

sustainable business practices. Sustainable business practices, in the context of the Sub-Fund's corporate investments are those which positively manage the material impacts of an issuer's operations and products on the environment and society. Sustainable behaviours, in the context of the Sub-Fund's sovereign investments, are those which, in the view of the Investment Manager, positively manage or demonstrate progress in respect of ESG factors.

All direct investments will be expected to conform to the Investment Manager's sustainability criteria, where environmental, social and, governance (ESG) considerations are an integral part of the criteria.

When determining whether an issuer meets the Investment Manager's sustainability criteria, the Investment Manager considers whether the issuer: (i) engages in such practices in an economic sense (e.g., the issuer's strategy, operations and finances are stable and durable), and (ii) takes appropriate measures to manage any material consequences or impact of its policies and operations in relation to ESG matters (e.g., the issuer's environmental footprint, labour, or human rights standards and/or board or government structure, subject to the specific nature of the investment).

The Investment Manager's sustainability criteria incorporate elements of negative screening alongside other general and issuer level ESG-related analysis of an issuer's activities. Specifically, the Investment Manager, seeks to:

- Identify and avoid issuers that participate in specific areas of activity that the Investment Manager deems to be harmful from an environmental or social perspective or which do not follow good governance practices. As an example, the Investment Manager could deem issuers that have large carbon footprints or companies with poor labour standards, or sovereign issuers with poor control of corruption ineligible for investment. The Investment Manager will exclude corporate issuers in breach of the UN Global Compact principles which includes principles relating to human rights, labour, environment and anti-corruption, as well as companies that produce tobacco products. The Sub-Fund also adopts a policy of making no direct investment in companies that derive more than 10% of turnover from the sale of tobacco. The Investment Manager will also exclude sovereign issuers that in the view of the Investment Manager exhibit material negative management of environmental, social or governance factors.

- Identify and invest in issuers that are proactively seeking to manage environmental and/or social factors well, which in turn should support long-term financial returns. This may also include those issuers that are contributing to the development of solutions that will contribute towards addressing environmental and/or social issues, examples of which could include more efficient or reduced use of natural resources or accessibility to healthcare.

Issuers engaged in sustainable business practices may also include those companies that have committed explicitly to improving their environmental and/or social impacts.

When determining whether an issuer meets the Investment Manager's sustainability criteria, the Investment Manager uses a combination of external and internal data, research and ratings which are qualitative and quantitative in nature.

Due to the nature of the individual investment types that the Sub-Fund may invest in, the Investment Manager may employ different processes and techniques in its assessment. For example, the process through which the Investment Manager assesses corporate investments may be different to and use different inputs to the approach used for sovereign investments.

There may be situations where the Sub-Fund will invest in an issuer that has been identified as having involvement in potentially harmful activities from an environmental or social perspective. In the case of corporate investments, this may arise for certain issuers whose

To the extent the Sub-Fund gains exposure to alternative asset classes such as infrastructure, renewable energy, property or commodities, such exposure may be through exchange listed securities, other transferable securities and/or collective investment schemes.

The Investment Manager actively manages the Sub-Fund's allocation between asset classes. The asset allocation will vary and at any given time there may be no exposure to particular asset classes.

No more than 10% of the Net Asset Value of the Sub-Fund will be allocated to collective investment schemes.

No more than 10% of the Net Asset Value of the Sub-Fund will be allocated to investments in contingent convertible bonds.

Issuers eligible for investment are expected to demonstrate an ability to generate returns consistent with the Sub-Fund's objective and sustainable business practices. Sustainable business practices, in the context of the Sub-Fund's corporate investments are those which positively manage the material impacts of an issuer's operations and products on the environment and society. Sustainable behaviours, in the context of the Sub-Fund's sovereign investments, are those which, in the view of the Investment Manager, positively manage or demonstrate progress in respect of ESG factors.

All direct investments will be expected to conform to the Investment Manager's sustainability criteria, where environmental, social and, governance (ESG) considerations are an integral part of the criteria.

When determining whether an issuer meets the Investment Manager's sustainability criteria, the Investment Manager considers whether the issuer: (i) engages in such practices in an economic sense (e.g., the issuer's strategy, operations and finances are stable and durable), and (ii) takes appropriate measures to manage any material consequences or impact of its policies and operations in relation to ESG matters (e.g., the issuer's environmental footprint, labour, or human rights standards and/or board or government structure, subject to the specific nature of the investment).

The Investment Manager's sustainability criteria incorporate elements of negative screening alongside other general and issuer level ESG-related analysis of an issuer's activities. Specifically, the Investment Manager, seeks to:

- Identify and avoid issuers that participate in specific areas of activity that the Investment Manager deems to be harmful from an environmental or social perspective or which do not follow good governance practices. As an example, the Investment Manager could deem issuers that have large carbon footprints or companies with poor labour standards, or sovereign issuers with poor control of corruption ineligible for investment. The Investment Manager will exclude corporate issuers in breach of the UN Global Compact principles which includes principles relating to human rights, labour, environment and anti-corruption, as well as companies that produce tobacco products. The Sub-Fund also adopts a policy of making no direct investment in companies that derive more than 10% of turnover from the sale of tobacco. The Investment Manager will also exclude sovereign issuers that in the view of the Investment Manager exhibit material negative management of environmental, social or governance factors.

- Identify and invest in issuers that are proactively seeking to manage environmental and/or social factors well, which in turn should support long-term financial returns. This may also include those issuers that are contributing to the development of solutions that will contribute towards addressing environmental and/or social issues, examples of which could include more efficient or reduced use of natural resources or accessibility to healthcare.

activities or operations, typically due to a legacy business mix, may have historically created poor environmental or social outcomes, but that are now investing in and positively adapting to future needs (for example, this may include energy companies that are preparing for a transition to a lower carbon world). In the case of sovereign investments, this may arise in respect of issuers that may be demonstrating an improvement in their overall sustainability profile.

Similarly, in some instances, the Sub-Fund may invest in a corporate issuer where the Investment Manager determines through engagement with the issuer that prevailing ESG information and data provided by external ESG ratings providers have not fully captured positive environmental or social initiatives of the issuer.

The Investment Manager is dependent upon information and data from third parties (which may include providers of research reports, screenings, ratings and/or analysis such as index providers and consultants). Such information or data may be incomplete, inaccurate or inconsistent.

The Sub-Fund may invest more than 35% of its assets in government and public securities issued or guaranteed by a single state, local authority or public international body. Subject to FCA regulations, the relative exposure between these asset classes will be actively managed and will be varied as deemed necessary in order to achieve the investment objective. This may result in the Sub-Fund having no exposure to particular asset classes. The Sub-Fund may invest in any geographic or economic sectors of the world.

For the avoidance of doubt, cash and liquid near cash assets, money market funds and derivatives are not required to meet the Investment Manager's sustainability criteria.

Derivatives may be used with a view to generating investment returns in pursuit of the Sub-Fund's investment objective, and for efficient portfolio management. It is not expected that the use of derivatives will materially affect the overall risk profile of the Sub-Fund.

The Investment Manager may use alternative risk premia strategies, hereafter referred to as 'ARP' strategies, to implement the investment strategy. ARP strategies seek to gain exposure to risk premia (the return or reward an investor earns to bear risk) that would not usually be directly accessible through traditional investment instruments (for example by investing directly in equities or bonds).

ARP strategies are typically accessed through systematic, rules-based approaches which often use quantitative techniques and can be implemented through a range of instruments (including structured notes, derivative instruments and collective investment schemes),

No more than 8.5% of Net Asset Value of the Sub-Fund will be allocated to gaining exposure to ARP strategies.

The Sub-Fund uses SONIA (30-day compounded) + 4% per annum over five years before fees as a target set for the Sub-Fund's performance to match or exceed. The ACD considers SONIA (30-day compounded) + 4% per annum over five years before fees to be an appropriate target because, whilst it does not take ESG factors into account, the ACD believes in typical market conditions that it represents a target that will be equal to or greater than UK inflation rates over the same period and is commensurate with the Investment Manager's approach.

Further details in relation to the current sustainability criteria may be obtained by contacting the ACD and is available on the ACD's website at www.bnymellonim.com/orl. Investors should be aware that these criteria may change over time.

Issuers engaged in sustainable business practices may also include those companies that have committed explicitly to improving their environmental and/or social impacts.

When determining whether an issuer meets the Investment Manager's sustainability criteria, the Investment Manager uses a combination of external and internal data, research and ratings which are qualitative and quantitative in nature.

Due to the nature of the individual investment types that the Sub-Fund may invest in, the Investment Manager may employ different processes and techniques in its assessment. For example, the process through which the Investment Manager assesses corporate investments may be different to and use different inputs to the approach used for sovereign investments.

There may be situations where the Sub-Fund will invest in an issuer that has been identified as having involvement in potentially harmful activities from an environmental or social perspective. In the case of corporate investments, this may arise for certain issuers whose activities or operations, typically due to a legacy business mix, may have historically created poor environmental or social outcomes, but that are now investing in and positively adapting to future needs (for example, this may include energy companies that are preparing for a transition to a lower carbon world). In the case of sovereign investments, this may arise in respect of issuers that may be demonstrating an improvement in their overall sustainability profile.

Similarly, in some instances, the Sub-Fund may invest in a corporate issuer where the Investment Manager determines through engagement with the issuer that prevailing ESG information and data provided by external ESG ratings providers have not fully captured positive environmental or social initiatives of the issuer.

The Investment Manager is dependent upon information and data from third parties (which may include providers of research reports, screenings, ratings and/or analysis such as index providers and consultants). Such information or data may be incomplete, inaccurate or inconsistent.

The Sub-Fund may allocate more than 35% of its Net Asset Value in government and public securities issued or guaranteed by a single state, local authority or public international body. Subject to FCA regulations, the relative exposure between these asset classes will be actively managed and will be varied as deemed necessary in order to achieve the investment objective. This may result in the Sub-Fund having no exposure to particular asset classes.

The Sub-Fund may invest in any geographic or economic sectors of the world.

In extreme market conditions, the Sub-Fund may invest significantly in cash and cash-like securities. For the avoidance of doubt, cash and liquid near cash assets, money market funds and derivatives are not required to meet the Investment Manager's sustainability criteria.

Derivatives may be used with a view to generating investment returns in pursuit of the Sub-Fund's investment objective, and for efficient portfolio management. It is not expected that the use of derivatives will materially affect the overall risk profile of the Sub-Fund.

The Investment Manager may use alternative risk premia strategies, hereafter referred to as 'ARP' strategies, to implement the investment strategy. ARP strategies seek to gain exposure to risk premia (the return or reward an investor earns to bear risk) that would not usually be directly accessible through traditional investment instruments (for example by investing directly in equities or bonds).

ARP strategies are typically accessed through systematic, rules-based approaches which often use quantitative techniques and can be implemented through a range of instruments (including structured notes, derivative instruments and collective investment schemes),



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No more than 8.5% of Net Asset Value of the Sub-Fund will be allocated to gaining exposure to ARP strategies.

The Sub-Fund's returns are expected to sit within a range, dependent on the length of time over which performance is measured. The minimum expected level of returns (before fees) on a rolling annualised 3 year basis is SONIA (30-day compounded). The ACD considers this to be an appropriate threshold for expected returns because, whilst it does not take ESG factors into account, it is representative of cash returns. The upper level of expected returns (before fees), on a longer, rolling annualised 5 year basis is SONIA (30-day compounded) +4%. The ACD considers this to be an appropriate upper threshold for expected returns over the longer rolling period since it represents UK inflation rates over the same period and is commensurate with the Investment Manager's approach. For the avoidance of doubt, a rolling 3 year basis and a rolling 5 year basis refer to a period of 3 year or 5 years respectively, regardless of the start date.

Further details in relation to the current sustainability criteria may be obtained by contacting the ACD and is available on the ACD's website at www.bnymellonim.com/orl. Investors should be aware that these criteria may change over time.