

**BNY Mellon Fund Management (Luxembourg) S.A.**

**Statement regarding the adverse impacts of investment decisions on sustainability factors**

**June 2022**

- 1.1 BNY Mellon Fund Management (Luxembourg) S.A. (the “**Firm**”) has carefully evaluated the requirements of the PAI regime in Article 4 of the Sustainable Finance Disclosure Regulation (SFDR), and in the draft Regulatory Technical Standards (“**RTS**”) published in the final report of April 2022 issued by the European Supervisory Authorities (the “**PAI regime**”).
- 1.2 The Firm is supportive of the policy aims of the PAI regime, to improve transparency to clients, investors and the market, as to how financial market participants integrate consideration of the adverse impacts of their investment decisions on sustainability factors.
- 1.3 It is the Firm’s current policy to delegate investment decision-making to other BNY Mellon Investment Management subsidiaries (the “**Investment Managers**”). As the Firm does not perform any investment decision-making itself, it is concerned about the lack of readily available data at the level of the Firm to comply with many of the technical reporting requirements of the PAI regime. Accordingly, the Firm considers that it would be inappropriate to comply with the PAI regime at the level of the Firm at this stage.
- 1.4 The Firm continues to actively evaluate, however, its decision not to comply with the PAI regime at Firm level and, in particular, is reviewing with the underlying Investment Managers the data and steps needed to achieve compliance with the PAI regime as soon as reasonably practicable.
- 1.5 Notwithstanding the Firm’s decision not to comply with the PAI regime at firm level at this stage, the Firm also wishes to re-affirm our overall commitment to ESG matters.