

# BNY Mellon Strategic Municipal Bond Fund, Inc.

**ANNUAL REPORT**

November 30, 2025

**BNY Mellon Strategic Municipal Bond Fund, Inc.**

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Our Pledge to You**

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- Information about your transactions with us, such as the purchase or sale of fund shares.
- Information we receive from agents and service providers, such as proxy voting information.

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# DISCUSSION OF FUND PERFORMANCE AND DISTRIBUTION INFORMATION (Unaudited)

## How did the Fund perform last year?

For the 12-month period ended November 30, 2025, BNY Mellon Strategic Municipal Bond Fund, Inc. (the “fund”) produced a total return of -1.13% on a net-asset-value basis and 0.10% on a market price basis.<sup>1</sup> Over the same period, the fund provided aggregate income dividends of \$.246 per share, which reflects a distribution rate of 4.18%.<sup>2</sup> In comparison, the Bloomberg U.S. Municipal Bond Index (the “Index”), the fund’s performance benchmark, posted a total return of 2.64% for the same period.<sup>3</sup>

## What affected the Fund’s performance?

- Municipal bonds delivered modest positive returns, driven by attractive income and periods of falling Treasury yields. Record issuance limited price gains despite solid state and local fundamentals. However, the fund’s emphasis on longer-maturity bonds detracted from relative performance as the yield curve steepened amid Federal Reserve easing expectations.
- The fund’s relative performance benefited from overweight exposure to lower-rated investment-grade municipals, which offered higher income than high-grade bonds.
- The fund’s emphasis on prepaid gas, airports and industrial development bonds contributed positively, while security selection in transportation, health care and water & sewer detracted.

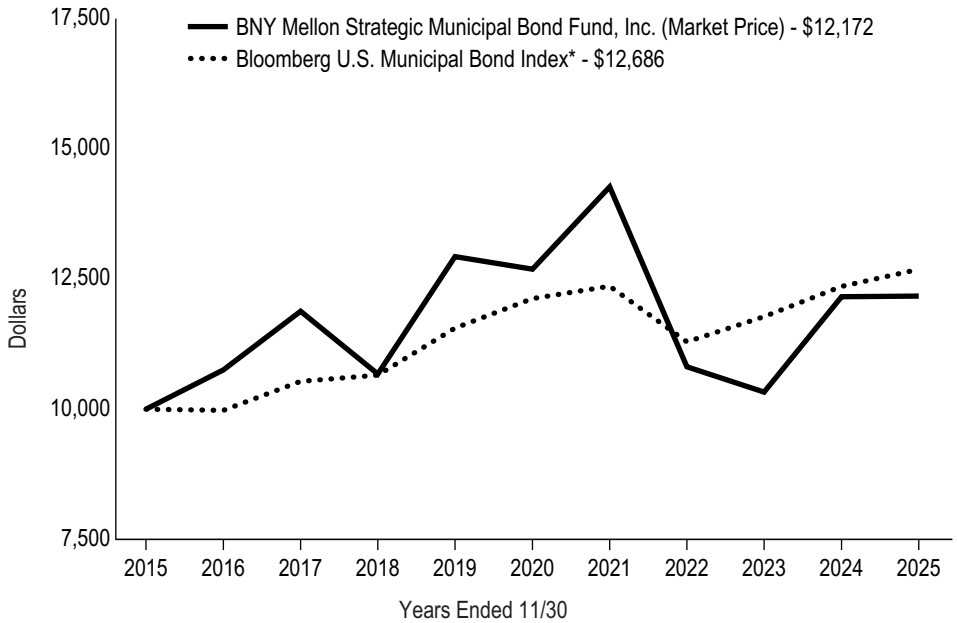
<sup>1</sup> Total return includes reinvestment of dividends and any capital gains paid, based upon net asset value per share or market price per share, as applicable. Past performance is no guarantee of future results. Market price per share, net asset value per share and investment return fluctuate.

<sup>2</sup> Distribution rate per share is based upon dividends per share paid from net investment income during the period, divided by the market price per share at the end of the period, adjusted for any capital gain distributions.

<sup>3</sup> Source: Lipper, Inc. — The Bloomberg U.S. Municipal Bond Index covers the U.S. dollar-denominated long-term tax-exempt bond market. Unlike a fund, the Index is not subject to fees and other expenses. Investors cannot invest directly in any Index.

## Cumulative Performance from November 30, 2015 through November 30, 2025

### Initial Investment of \$10,000



\* Source: Lipper Inc.

*Past performance is not predictive of future performance.*

*The above graph compares a hypothetical investment of \$10,000 made in BNY Mellon Strategic Municipal Bond Fund, Inc. on 11/30/2015 to a hypothetical investment of \$10,000 made in the Index on that date. All figures for the fund are based on market price. All dividends and capital gain distributions are reinvested.*

*The fund invests primarily in municipal securities and its performance shown in the line graph takes into account fees and expenses.*

*The Index covers the U.S. dollar-denominated long-term tax-exempt bond market. Unlike a fund, the Index is not subject to charges, fees and other expenses. Investors cannot invest directly in any index. Further information relating to fund performance, including expense reimbursements, if applicable, is contained in the Financial Highlights within this report and elsewhere in this report.*

DISCUSSION OF FUND PERFORMANCE AND DISTRIBUTION INFORMATION  
(Unaudited) (continued)

**Average Annual Total Returns as of 11/30/2025**

	1 Year	5 Years	10 Years
<b>BNY Mellon Strategic Municipal Bond Fund, Inc.- Market Price</b>	0.10%	(0.83%)	1.99%
<b>BNY Mellon Strategic Municipal Bond Fund, Inc.- Net Asset Value</b>	(1.13%)	(0.18%)	2.28%
<b>Bloomberg U.S. Municipal Bond Index</b>	2.64%	0.91%	2.41%

The performance data quoted represents past performance, which is no guarantee of future results. Share price and investment return fluctuate and an investor's shares may be worth more or less than original cost upon sale of the shares. Current performance may be lower or higher than the performance quoted. Go to [www.bny.com/investments](http://www.bny.com/investments) for the fund's most recent month-end returns.

*The fund's performance shown in the graph and table does not reflect the deduction of taxes that a shareholder would pay on fund distributions or the sale of fund shares.*

## DISTRIBUTION INFORMATION

The following information regarding the fund's distributions is current as of November 30, 2025, the fund's fiscal year end. The fund's returns during the period were sufficient to meet fund distributions.

The fund's distribution policy is intended to provide shareholders with stable, but not guaranteed, cash flow, independent of the amount or timing of income earned or capital gains realized by the fund. The fund intends to distribute all or substantially all of its net investment income through its regular monthly distribution and to distribute realized capital gains at least annually. In addition, in any monthly period, in order to try to maintain a level distribution amount, the fund may pay out more or less than its net investment income during the period. As a result, distributions sources may include net investment income, realized gains and return of capital. You should not draw any conclusions about the fund's investment performance from the amount of the distribution or from the terms of the level distribution program. A return of capital is a non-taxable distribution of a portion of the fund's capital. A return of capital distribution does not necessarily reflect a fund's investment performance and should not be confused with "yield" or "income."

The amounts and sources of distributions reported below are for financial reporting purposes and are not being provided for tax reporting purposes. The actual amounts and character of the distributions for tax reporting purposes will be reported to shareholders on Form 1099-DIV, which will be sent to shareholders shortly after calendar year-end. Because distribution source estimates are updated throughout the current fiscal year based on the fund's performance, those estimates may differ from both the tax information reported to you in your fund's 1099 statement, as well as the ultimate economic sources of distributions over the life of your investment. The figures in the table below provide the sources of distributions and may include amounts attributed to realized gains and/or returns of capital.

Distributions	Current Month			Fiscal Year Ended			
	Percentage of Distributions			Per Share Amounts			
	Net Investment Income	Realized Gains	Return of Capital	Total Distributions	Net Investment Income	Realized Gains	Return of Capital
BNY Mellon Strategic Municipal Bond Fund, Inc.	100.00%	.00%	.00%	\$ .25	\$ .25	\$ .00	\$ .00

## SELECTED INFORMATION

November 30, 2025 (Unaudited)

Market Price per share November 30, 2025	\$5.89
Shares Outstanding November 30, 2025	49,428,691
New York Stock Exchange Ticker Symbol	DSM

### MARKET PRICE (\$) (NEW YORK STOCK EXCHANGE)

Fiscal Year Ended November 30, 2025

	Quarter Ended February 28, 2025	Quarter Ended May 31, 2025	Quarter Ended August 31, 2025	Quarter Ended November 30, 2025
High	6.17	6.10	5.70	6.07
Low	5.74	5.37	5.46	5.66
Close	6.03	5.55	5.68	5.89

### PERCENTAGE GAIN (LOSS) based on change in Market Price<sup>†</sup>

November 22, 1989 (commencement of operations) through November 30, 2025	460.18%
December 1, 2015 through November 30, 2025	21.72
December 1, 2020 through November 30, 2025	(4.07)
December 1, 2024 through November 30, 2025	0.10
March 1, 2025 through November 30, 2025	0.99
June 1, 2025 through November 30, 2025	8.69
September 1, 2025 through November 30, 2025	4.90

### NET ASSET VALUE PER SHARE

November 22, 1989 (commencement of operations)	\$9.32
November 30, 2024	6.91
February 28, 2025	6.74
May 31, 2025	6.17
August 31, 2025	6.10
November 30, 2025	6.55

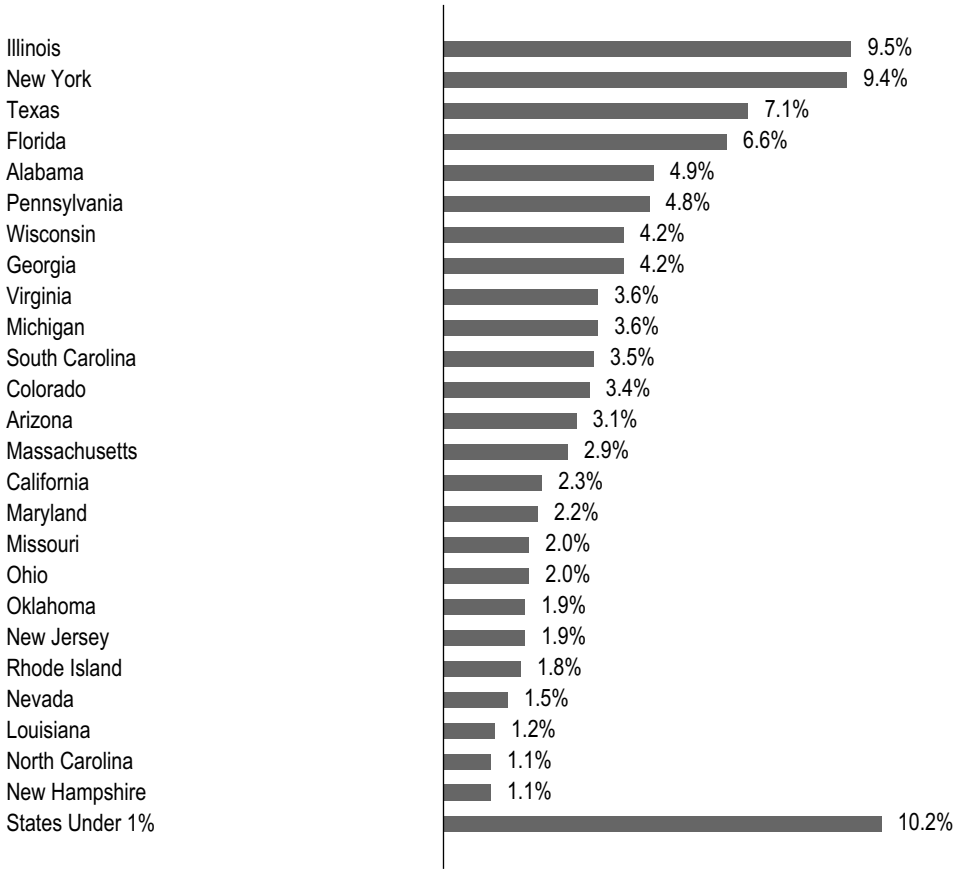
### PERCENTAGE GAIN (LOSS) based on change in Net Asset Value<sup>†</sup>

November 22, 1989 (commencement of operations) through November 30, 2025	568.15%
December 1, 2015 through November 30, 2025	25.22
December 1, 2020 through November 30, 2025	(0.87)
December 1, 2024 through November 30, 2025	(1.13)
March 1, 2025 through November 30, 2025	0.44
June 1, 2025 through November 30, 2025	8.68
September 1, 2025 through November 30, 2025	8.58

<sup>†</sup> With dividends reinvested.

# PORTFOLIO SUMMARY

## State Allocation (Based on Total Investments)



# SCHEDULE OF INVESTMENTS

November 30, 2025

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6%</b>				
<b>Alabama — 7.4%</b>				
Alabama Special Care Facilities Financing Authority, Revenue Bonds (Methodist Home for the Aging Obligated Group)	5.50	6/1/2030	1,800,000	1,806,645
Alabama Special Care Facilities Financing Authority, Revenue Bonds (Methodist Home for the Aging Obligated Group)	6.00	6/1/2050	2,710,000	2,611,573
Baldwin County Industrial Development Authority, Revenue Bonds (Novelis Corporation Project) Ser. A <sup>(a),(b)</sup>	5.00	6/1/2032	750,000	767,149
Black Belt Energy Gas District, Revenue Bonds (Gas Project) Ser. C <sup>(a),(b)</sup>	5.50	8/1/2034	2,500,000	2,652,231
Black Belt Energy Gas District, Revenue Bonds, Ser. D <sup>(a)</sup>	5.00	11/1/2034	1,500,000	1,628,210
Black Belt Energy Gas District, Revenue Bonds, Refunding (Gas Project) Ser. D1 <sup>(a)</sup>	5.50	2/1/2029	4,625,000	4,902,157
Jefferson County, Revenue Bonds, Refunding	5.50	10/1/2053	2,500,000	2,635,100
Mobile County Industrial Development Authority, Revenue Bonds (Calvert LLC Project) Ser. B	4.75	12/1/2054	1,000,000	934,517
Southeast Energy Authority A Cooperative District, Revenue Bonds, Ser. B <sup>(a)</sup>	5.25	6/1/2032	1,000,000	1,087,861
Southeast Energy Authority A Cooperative District, Revenue Bonds, Ser. C <sup>(a)</sup>	5.00	2/1/2031	4,560,000	4,897,559
				<b>23,923,002</b>
<b>Alaska — .7%</b>				
Northern Tobacco Securitization Corp., Revenue Bonds, Refunding, Ser. A	4.00	6/1/2050	2,900,000	<b>2,438,745</b>

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Arizona — 4.6%</b>				
Arizona Industrial Development Authority, Revenue Bonds (Legacy Cares Project) <sup>(b),(c)</sup>	7.75	7/1/2050	4,305,000	101,167
Arizona Industrial Development Authority, Revenue Bonds (Sustainable Bond) (Equitable School Revolving Fund Obligated Group) Ser. A	4.00	11/1/2045	1,500,000	1,360,817
Arizona Industrial Development Authority, Revenue Bonds, Refunding (BASIS Schools Project) Ser. A <sup>(b)</sup>	5.25	7/1/2047	2,000,000	1,937,166
Glendale Industrial Development Authority, Revenue Bonds, Refunding (Sun Health Services Obligated Group) Ser. A	5.00	11/15/2054	1,500,000	1,462,078
Maricopa County Industrial Development Authority, Revenue Bonds, Refunding (Legacy Traditional Schools Project) <sup>(b)</sup>	5.00	7/1/2049	1,775,000	1,716,309
Sierra Vista Industrial Development Authority, Revenue Bonds (American Leadership Academy) <sup>(b)</sup>	5.00	6/15/2059	750,000	666,848
Tender Option Bond Trust Receipts (Series 2018-XF2537), (Salt Verde Financial Corporation, Revenue Bonds) Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	9.59	12/1/2037	4,550,000	4,941,797
The Phoenix Arizona Industrial Development Authority, Revenue Bonds, Refunding (BASIS Schools Projects) Ser. A <sup>(b)</sup>	5.00	7/1/2046	3,000,000	2,829,679
				<b>15,015,861</b>

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Arkansas — .9%</b>				
Arkansas Development Finance Authority, Revenue Bonds (Sustainable Bond) (U.S. Steel Corp.)	5.70	5/1/2053	1,900,000	1,938,567
Arkansas Development Finance Authority, Revenue Bonds (Sustainable Bond) (U.S. Steel Corp.)	5.45	9/1/2052	1,000,000	1,004,188
				<b>2,942,755</b>
<b>California — 3.4%</b>				
California Community Choice Financing Authority, Revenue Bonds (Sustainable Bond) (Clean Energy Project) Ser. D <sup>(a)</sup>	5.00	9/1/2032	1,000,000	1,091,222
California Municipal Finance Authority, Revenue Bonds (Cabrillo College Project) Ser. A <sup>(b)</sup>	5.38	7/1/2050	1,750,000	1,742,701
California Municipal Finance Authority, Revenue Bonds (United Airlines Project)	4.00	7/15/2029	1,000,000	1,008,022
San Diego County Regional Airport Authority, Revenue Bonds, Ser. B	5.50	7/1/2055	1,000,000	1,077,175
Tender Option Bond Trust Receipts (Series 2023-XM1114), (Long Beach Bond Finance Authority, Revenue Bonds) Non-Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	5.55	8/1/2053	6,400,000	6,052,490
				<b>10,971,610</b>
<b>Colorado — 5.1%</b>				
Colorado Health Facilities Authority, Revenue Bonds (CommonSpirit Health Obligated Group)	5.25	11/1/2052	1,000,000	1,032,206

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Colorado — 5.1% (continued)</b>				
Colorado Health Facilities Authority, Revenue Bonds, Refunding (Covenant Living Communities & Services Obligated Group) Ser. A	4.00	12/1/2050	4,000,000	3,352,791
Dominion Water & Sanitation District, Revenue Bonds, Refunding	5.88	12/1/2052	2,750,000	2,819,116
Kinston Metropolitan District No. 5, GO, Refunding, Ser. A <sup>(b)</sup>	5.75	12/1/2055	750,000	761,558
Tender Option Bond Trust Receipts (Series 2020-XM0829), (Colorado Health Facilities Authority, Revenue Bonds, Refunding (CommonSpirit Health Obligated Group) Ser. A1) Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	9.16	8/1/2044	3,260,000	3,572,204
Tender Option Bond Trust Receipts (Series 2023-XM1124), (Colorado Health Facilities Authority, Revenue Bonds (Adventist Health System/Sunbelt Obligated Group) Ser. A) Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	6.26	11/15/2048	5,535,000	5,022,864
				<b>16,560,739</b>
<b>Delaware — 1.0%</b>				
Delaware Economic Development Authority, Revenue Bonds (ACTS Retirement-Life Communities Inc. Obligated Group)	5.00	11/15/2048	3,195,000	<b>3,164,966</b>

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>District of Columbia — 1.2%</b>				
District of Columbia, Revenue Bonds, Refunding (The Catholic University of America) Ser. A	5.75	10/1/2055	2,265,000	2,423,200
Metropolitan Washington Airports Authority, Revenue Bonds, Refunding (Dulles Metrorail) Ser. B	4.00	10/1/2049	1,500,000	1,329,538
				<b>3,752,738</b>
<b>Florida — 10.0%</b>				
Atlantic Beach, Revenue Bonds (Fleet Landing Project) Ser. A	5.00	11/15/2053	2,840,000	2,728,997
Collier County Industrial Development Authority, Revenue Bonds (NCH Healthcare System) (Insured; Assured Guaranty Corp.) Ser. A	5.00	10/1/2054	2,000,000	2,060,668
Florida Development Finance Corp., Revenue Bonds, Refunding (Brightline Florida Passenger Rail Project) (Insured; Assured Guaranty Corp.)	5.25	7/1/2053	1,975,000	1,972,375
Florida Housing Finance Corp., Revenue Bonds (Insured; GNMA, FNMA, FHLMC) Ser. 1	4.40	7/1/2044	2,115,000	2,116,851
Florida Local Government Finance Commission, Revenue Bonds (Bridgeprep Academy Projects) Ser. A <sup>(b)</sup>	6.25	6/15/2055	2,000,000	2,048,428
Florida Local Government Finance Commission, Revenue Bonds (Fleet Landing at Nocatee Project) Ser. A <sup>(b)</sup>	6.63	11/15/2045	1,000,000	1,056,904
Greater Orlando Aviation Authority, Revenue Bonds (United Airlines, Inc. Project)	5.25	11/1/2035	1,500,000	1,607,179
Greater Orlando Aviation Authority, Revenue Bonds, Ser. A	4.00	10/1/2049	4,065,000	3,640,282

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Florida — 10.0% (continued)</b>				
Hillsborough County Industrial Development Authority, Revenue Bonds, Refunding (BayCare Obligated Group) Ser. C	4.13	11/15/2051	3,000,000	2,785,810
Lee County Industrial Development Authority, Revenue Bonds, Refunding, Ser. 1	4.00	4/1/2049	1,600,000	1,436,850
Miami-Dade County Water & Sewer System, Revenue Bonds (Insured; Build America Mutual)	4.00	10/1/2051	1,500,000	1,374,804
Palm Beach County Health Facilities Authority, Revenue Bonds, Refunding (Lifespace Communities Obligated Group) Ser. C	7.63	5/15/2058	1,000,000	1,113,687
Seminole County Industrial Development Authority, Revenue Bonds, Refunding (Legacy Pointe at UCF Project)	5.75	11/15/2054	1,000,000	945,050
Tender Option Bond Trust Receipts (Series 2023-XM1122), (Miami-Dade FL County Water & Sewer System, Revenue Bonds, Refunding, Ser. B) Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	5.51	10/1/2049	7,500,000	6,875,901
Village Community Development District No. 15, Special Assessment Bonds <sup>(b)</sup>	4.80	5/1/2055	635,000	610,466
				<b>32,374,252</b>
<b>Georgia — 6.2%</b>				
Georgia Municipal Electric Authority, Revenue Bonds (Plant Vogtle Units 3&4 Project) Ser. A	5.00	7/1/2052	1,900,000	1,938,428
Main Street Natural Gas, Inc., Revenue Bonds, Ser. D <sup>(a)</sup>	5.00	4/1/2031	1,000,000	1,079,846

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Georgia — 6.2% (continued)</b>				
Savannah Georgia Convention Center Authority, Revenue Bonds (Insured; Assured Guaranty Corp.) (Convention Center Hotel) Ser. C	5.25	6/1/2041	575,000	633,355
Tender Option Bond Trust Receipts (Series 2016-XM0435), (Private Colleges & Universities Authority, Revenue Bonds, Refunding (Emory University)) Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	10.10	10/1/2043	6,000,000	6,002,013
Tender Option Bond Trust Receipts (Series 2020-XM0825), (Brookhaven Development Authority, Revenue Bonds (Children's Healthcare of Atlanta) Ser. A) Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	7.55	7/1/2044	4,220,000	4,386,408
Tender Option Bond Trust Receipts (Series 2023-XF3183), (Municipal Electric Authority of Georgia, Revenue Bonds (Plant Vogtle Units 3&4 Project) Ser. A) Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	9.89	1/1/2059	2,720,000	2,705,943
Tender Option Bond Trust Receipts (Series 2025-XF80660), (Atlanta Department of Aviation, Revenue Bonds, Ser. B1), Non-Recourse, Underlying Coupon Rate 5.25% <sup>(b),(d),(e)</sup>	11.11	7/1/2050	2,400,000	2,509,931
The Atlanta Development Authority, Revenue Bonds, Ser. A1	5.25	7/1/2040	1,000,000	1,001,117
				<b>20,257,041</b>

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Illinois — 14.3%</b>				
Chicago, GO (Housing and Economic Development Projects) Ser. F	6.00	1/1/2055	1,000,000	1,051,365
Chicago, GO, Ser. A	5.00	1/1/2044	3,000,000	2,864,178
Chicago, GO, Refunding, Ser. A	6.00	1/1/2038	3,000,000	3,059,854
Chicago Board of Education, GO, Ser. A	6.25	12/1/2050	1,000,000	1,025,446
Chicago Board of Education, GO, Refunding, Ser. A	5.00	12/1/2033	1,250,000	1,252,734
Chicago Board of Education, GO, Refunding, Ser. B	5.50	12/1/2035	2,250,000	2,331,042
Chicago Midway International Airport, Revenue Bonds, Refunding, Ser. C	5.00	1/1/2040	1,500,000	1,588,141
Illinois, GO, Ser. A	5.00	5/1/2038	1,850,000	1,899,378
Illinois, GO, Ser. B	5.00	11/1/2030	1,250,000	1,346,134
Illinois, GO, Ser. D	5.00	11/1/2028	3,000,000	3,112,827
Illinois, Revenue Bonds, Ser. C	5.00	6/15/2045	1,000,000	1,048,398
Illinois Finance Authority, Revenue Bonds (Centerpoint Joliet Terminal Railroad Project) <sup>(a),(b)</sup>	4.80	7/2/2035	2,000,000	2,064,370
Metropolitan Pier & Exposition Authority, Revenue Bonds (McCormick Place Project) (Insured; National Public Finance Guarantee Corp.) Ser. A <sup>(f)</sup>	0.00	12/15/2036	2,500,000	1,640,060
Sales Tax Securitization Corp., Revenue Bonds, Refunding, Ser. A	4.00	1/1/2039	2,000,000	1,979,072
Tender Option Bond Trust Receipts (Series 2023-XF1623), (Regional Transportation Authority Illinois, Revenue Bonds, Ser. B) Non-Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	4.98	6/1/2048	2,625,000	2,384,637

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Illinois — 14.3% (continued)</b>				
Tender Option Bond Trust Receipts (Series 2023-XM1112), (Chicago IL Water Works, Revenue Bonds (Insured; Assured Guaranty Corp.) Ser. A) Non-Recourse Underlying Coupon Rate 5.25% <sup>(b),(d),(e)</sup>	11.26	11/1/2053	10,000,000	10,411,716
Tender Option Bond Trust Receipts (Series 2024-XF3290), (Chicago Transit Authority, Sales Tax Revenue Bonds, Refunding, Ser. A) Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	10.06	12/1/2049	4,200,000	4,333,407
Tender Option Bond Trust Receipts (Series 2025-XF3349), (Chicago O'Hare International Airport, Revenue Bonds, Refunding, Ser. A) Recourse, Underlying Coupon Rate 5.50% <sup>(b),(d),(e)</sup>	12.02	1/1/2053	2,860,000	2,995,223
				<b>46,387,982</b>
<b>Indiana — 1.3%</b>				
Indiana Finance Authority, Revenue Bonds (Sustainable Bond) <sup>(b),(c)</sup>	7.00	3/1/2039	4,025,000	201,250
Indiana Finance Authority, Revenue Bonds, Refunding (Marquette Project) Ser. A	5.00	3/1/2040	1,985,000	2,061,316
Indianapolis Local Public Improvement Bond Bank, Revenue Bonds (City Moral Obligation) (Insured; Build America Mutual) Ser. F1	5.25	3/1/2067	1,250,000	1,301,144
Valparaiso, Revenue Bonds, Refunding (Pratt Paper (IN) LLC Project) <sup>(b)</sup>	5.00	1/1/2054	750,000	745,508
				<b>4,309,218</b>

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Iowa — .8%</b>				
Iowa Finance Authority, Revenue Bonds, Refunding (Iowa Fertilizer Co. Project) <sup>(g)</sup>	5.00	12/1/2032	1,195,000	1,374,900
Iowa Student Loan Liquidity Corp., Revenue Bonds, Ser. B	5.00	12/1/2032	1,000,000	1,083,299
				<b>2,458,199</b>
<b>Kentucky — 1.3%</b>				
Christian County, Revenue Bonds, Refunding (Jennie Stuart Medical Center Obligated Group)	5.50	2/1/2044	2,800,000	2,802,330
Kentucky Public Energy Authority, Revenue Bonds, Ser. A <sup>(a)</sup>	5.00	7/1/2030	1,250,000	1,327,671
				<b>4,130,001</b>
<b>Louisiana — 1.8%</b>				
Ernest N. Morial New Orleans Exhibition Hall Authority, Special Tax Bonds	5.50	7/15/2054	1,270,000	1,350,968
Louisiana Public Facilities Authority, Revenue Bonds (I-10 Calcasieu River Bridge Public-Private Partnership Project)	5.75	9/1/2064	2,345,000	2,439,682
Louisiana Public Facilities Authority, Revenue Bonds, Refunding (Ochsner Clinic Foundation Obligated Group) Ser. A	5.50	5/15/2050	2,000,000	2,151,137
				<b>5,941,787</b>
<b>Maine — .5%</b>				
Finance Authority of Maine, Revenue Bonds (University of New England)	5.50	7/1/2055	1,500,000	<b>1,600,607</b>
<b>Maryland — 3.4%</b>				
Maryland Economic Development Corp., Revenue Bonds (College Park Leonardtown Project) (Insured; Assured Guaranty Corp.)	5.25	7/1/2064	1,000,000	1,029,126

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Maryland — 3.4% (continued)</b>				
Maryland Economic Development Corp., Revenue Bonds (Sustainable Bond) (Purple Line Transit Partners) Ser. B	5.25	6/30/2055	2,575,000	2,563,684
Maryland Health & Higher Educational Facilities Authority, Revenue Bonds (Adventist Healthcare Obligated Group) Ser. A	5.50	1/1/2046	3,250,000	3,284,918
Tender Option Bond Trust Receipts (Series 2024-XF1758), (Maryland Stadium Authority, Revenue Bonds) Non-Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	10.14	6/1/2054	3,900,000	4,045,086
				<b>10,922,814</b>
<b>Massachusetts — 4.4%</b>				
Massachusetts Development Finance Agency, Revenue Bonds (Tufts University Student Housing Project)	5.25	6/1/2042	1,000,000	1,091,915
Massachusetts Development Finance Agency, Revenue Bonds, Ser. T	4.00	3/1/2054	1,000,000	940,409
Massachusetts Development Finance Agency, Revenue Bonds, Refunding (Beth Israel Lahey Health Obligated Group) Ser. N	5.50	7/1/2055	2,630,000	2,810,599
Massachusetts Development Finance Agency, Revenue Bonds, Refunding (Boston Medical Center Corp. Obligated Group)	5.25	7/1/2052	1,000,000	1,006,213
Massachusetts Development Finance Agency, Revenue Bonds, Refunding (UMass Memorial Health Care Obligated Group) Ser. K	5.00	7/1/2038	1,130,000	1,140,816

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Massachusetts — 4.4% (continued)</b>				
Massachusetts Educational Financing Authority, Revenue Bonds, Ser. B	5.00	7/1/2030	1,000,000	1,056,404
Tender Option Bond Trust Receipts (Series 2023-XF1604), (Massachusetts State Transportation Fund, Revenue Bonds, Ser. B) Non-Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	10.14	6/1/2053	6,000,000	6,247,757
				<b>14,294,113</b>
<b>Michigan — 5.4%</b>				
Detroit Downtown Development Authority, Tax Allocation Bonds, Refunding (Catalyst Development Project)	5.00	7/1/2048	1,335,000	1,395,541
Great Lakes Water Authority Sewage Disposal System, Revenue Bonds, Refunding, Ser. C	5.00	7/1/2036	1,500,000	1,515,932
Michigan Building Authority, Revenue Bonds, Refunding	4.00	10/15/2049	2,500,000	2,327,187
Michigan Finance Authority, Revenue Bonds (Sustainable Bond) (Henry Ford)	5.50	2/28/2049	1,000,000	1,067,659
Michigan Finance Authority, Revenue Bonds, Refunding, Ser. A	4.00	12/1/2049	2,000,000	1,785,042
Michigan Housing Development Authority, Revenue Bonds, Ser. C	5.05	6/1/2051	1,500,000	1,524,733
Michigan Strategic Fund, Revenue Bonds (AMT-I-75 Improvement Project)	5.00	12/31/2043	4,000,000	4,004,981
Pontiac School District, GO (Insured; Qualified School Board Loan Fund)	4.00	5/1/2045	1,700,000	1,585,089

*SCHEDULE OF INVESTMENTS (continued)*

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Michigan — 5.4% (continued)</b>				
Wayne County Airport Authority, Revenue Bonds, Ser. A	5.50	12/1/2050	1,000,000	1,094,219
Wayne County Airport Authority, Revenue Bonds, Ser. B	5.75	12/1/2050	1,000,000	1,098,997
				<b>17,399,380</b>
<b>Minnesota — .3%</b>				
Duluth Economic Development Authority, Revenue Bonds, Refunding (Essentia Health Obligated Group) Ser. A	5.00	2/15/2058	1,125,000	<b>1,134,747</b>
<b>Missouri — 3.1%</b>				
St. Louis Land Clearance for Redevelopment Authority, Revenue Bonds (National Geospatial Intelligence)	5.13	6/1/2046	4,285,000	4,218,779
Tender Option Bond Trust Receipts (Series 2023-XM1116), (Jackson County Missouri Special Obligation, Revenue Bonds, Refunding, Ser. A) Non-Recourse, Underlying Coupon Rate 4.25% <sup>(b),(d),(e)</sup>	6.23	12/1/2053	6,000,000	5,752,812
				<b>9,971,591</b>
<b>Montana — .3%</b>				
Montana Facility Finance Authority, Revenue Bonds (Benefis Health System Obligated Group) Ser. A	5.50	2/15/2055	1,000,000	<b>1,060,746</b>
<b>Nebraska — .3%</b>				
Omaha Public Power District, Revenue Bonds, Ser. A	4.00	2/1/2051	1,000,000	<b>918,450</b>
<b>Nevada — 2.3%</b>				
Clark County School District, GO (Insured; Assured Guaranty Corp.) Ser. A	4.25	6/15/2041	2,770,000	2,817,748
Reno, Revenue Bonds, Refunding (Insured; Assured Guaranty Corp.)	4.00	6/1/2058	5,000,000	4,507,764
				<b>7,325,512</b>

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>New Hampshire — 1.6%</b>				
New Hampshire Business Finance Authority, Revenue Bonds (The Wildflower Project) <sup>(b),(f)</sup>	0.00	12/15/2033	1,200,000	736,626
New Hampshire Business Finance Authority, Revenue Bonds (University of Nevada Reno Project) (Insured; Build America Mutual) Ser. A	5.25	6/1/2051	1,500,000	1,576,852
New Hampshire Business Finance Authority, Revenue Bonds (Winston-Salem Sustainable Energy Partners) Ser. A	5.50	6/1/2050	1,500,000	1,583,724
New Hampshire Business Finance Authority, Revenue Bonds, Refunding (Springpoint Senior Living Obligated Group)	4.00	1/1/2041	1,500,000	1,385,657
				<b>5,282,859</b>
<b>New Jersey — 2.9%</b>				
New Jersey Economic Development Authority, Revenue Bonds (Repauno Port & Rail Terminal Project) <sup>(b)</sup>	6.63	1/1/2045	720,000	747,899
New Jersey Health Care Facilities Financing Authority, Revenue Bonds (RWJ Barnabas Health Obligated Group)	4.00	7/1/2051	1,250,000	1,138,706
New Jersey Transportation Trust Fund Authority, Revenue Bonds	5.00	6/15/2044	1,500,000	1,578,905

*SCHEDULE OF INVESTMENTS (continued)*

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>New Jersey — 2.9% (continued)</b>				
New Jersey Transportation Trust Fund Authority, Revenue Bonds <sup>(g)</sup>	5.50	12/15/2032	2,000,000	2,389,147
Tender Option Bond Trust Receipts (Series 2025-XF3423), (New Jersey Turnpike Authority, Revenue Bonds, Ser. A) Recourse, Underlying Coupon Rate 5.25% <sup>(b),(d),(e)</sup>	11.34	1/1/2055	3,300,000	3,557,701
				<b>9,412,358</b>
<b>New Mexico — .5%</b>				
New Mexico Mortgage Finance Authority, Revenue Bonds (Insured; GNMA, FNMA, FHLMC) Ser. E	4.70	9/1/2054	1,635,000	<b>1,634,981</b>
<b>New York — 14.2%</b>				
Build New York City Resource Corp., Revenue Bonds (The Nightingale-Bamford School Project)	5.00	7/1/2040	875,000	967,111
New York Convention Center Development Corp., Revenue Bonds (Hotel Unit Fee) (Insured; Assured Guaranty Corp.) Ser. B <sup>(f)</sup>	0.00	11/15/2052	6,400,000	1,772,956
New York Energy Finance Development Corp., Revenue Bonds <sup>(a)</sup>	5.00	12/1/2033	2,000,000	2,144,871
New York State Dormitory Authority, Revenue Bonds, Refunding (Montefiore Obligated Group) Ser. A	4.00	9/1/2050	1,000,000	851,372
New York State Housing Finance Agency, Revenue Bonds (Sustainable Bonds) Ser. B1	4.70	11/1/2059	1,455,000	1,452,687
New York Transportation Development Corp., Revenue Bonds (Delta Air Lines)	4.00	1/1/2036	2,190,000	2,134,507

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>New York — 14.2% (continued)</b>				
New York Transportation Development Corp., Revenue Bonds (John F. Kennedy International Airport New Terminal One Project) (Insured; Assured Guaranty Corp.)	6.00	6/30/2060	2,700,000	2,919,800
New York Transportation Development Corp., Revenue Bonds (John F. Kennedy International Airport Terminal)	5.00	12/1/2040	3,050,000	3,189,733
New York Transportation Development Corp., Revenue Bonds (LaGuardia Airport Terminal B Redevelopment Project)	5.63	4/1/2040	1,000,000	1,050,879
New York Transportation Development Corp., Revenue Bonds (LaGuardia Airport Terminal B Redevelopment Project) Ser. A	5.00	7/1/2046	1,795,000	1,790,582
Tender Option Bond Trust Receipts (Series 2022-XM1004), (Metropolitan Transportation Authority, Revenue Bonds, Refunding (Sustainable Bond) (Insured; Assured Guaranty Corp.) Ser. C) Non-Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	4.65	11/15/2047	5,400,000	4,931,787
Tender Option Bond Trust Receipts (Series 2023-XF1638), (New York City Transitional Finance Authority, Revenue Bonds, Ser. E1) Non-Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	5.06	2/1/2049	10,000,000	9,250,513

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>New York — 14.2% (continued)</b>				
Tender Option Bond Trust Receipts (Series 2024- XM1174), (New York State Transportation Development Corp., Revenue Bonds (Sustainable Bond) (John F. Kennedy International Airport Terminal One Project) (Insured; Assured Guaranty Corp.)) Recourse, Underlying Coupon Rate 5.25% <sup>(b),(d),(e)</sup>	10.87	6/30/2060	2,760,000	2,820,576
Tender Option Bond Trust Receipts (Series 2024- XM1181), (Triborough New York Bridge & Tunnel Authority, Revenue Bonds, Ser. A1) Non-Recourse, Underlying Coupon Rate 4.13% <sup>(b),(d),(e)</sup>	5.50	5/15/2064	3,500,000	3,190,143
Tender Option Bond Trust Receipts (Series 2024- XM1194), (New York Transportation Development Corp., Revenue Bonds, Refunding (Sustainable Bond) (JFK International Airport Terminal Six Redevelopment Project) (Insured; Assured Guaranty Corp.)) Recourse, Underlying Coupon Rate 5.25% <sup>(b),(d),(e)</sup>	10.87	12/31/2054	2,700,000	2,746,865

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>New York — 14.2% (continued)</b>				
Tender Option Bond Trust Receipts (Series 2025-XF8040), (Long Island Power Authority, Revenue Bonds, Ser. A) Non-Recourse, Underlying Coupon Rate 5.25% <sup>(b),(d),(e)</sup>	11.06	9/1/2050	2,900,000	3,105,551
Westchester County Local Development Corp., Revenue Bonds, Refunding (Purchase Senior Learning Community Obligated Group) <sup>(b)</sup>	5.00	7/1/2046	1,650,000	1,537,033
				<b>45,856,966</b>
<b>North Carolina — 1.7%</b>				
Nash Health Care Systems, Revenue Bonds	5.75	2/1/2050	1,995,000	2,165,009
North Carolina Medical Care Commission, Revenue Bonds (Carolina Meadows Obligated Group)	5.25	12/1/2049	2,500,000	2,541,967
North Carolina Medical Care Commission, Revenue Bonds, Refunding (Lutheran Services for the Aging Obligated Group)	4.00	3/1/2051	900,000	741,989
				<b>5,448,965</b>
<b>Ohio — 3.1%</b>				
Buckeye Tobacco Settlement Financing Authority, Revenue Bonds, Refunding, Ser. B2	5.00	6/1/2055	8,030,000	6,773,530
Centerville, Revenue Bonds, Refunding (Graceworks Lutheran Services Obligated Group)	5.25	11/1/2047	1,500,000	1,428,318

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Ohio — 3.1% (continued)</b>				
Cuyahoga County, Revenue Bonds, Refunding (The MetroHealth System)	5.00	2/15/2052	1,000,000	956,428
Port of Greater Cincinnati Development Authority, Revenue Bonds, Refunding (Duke Energy Co.) (Insured; Assured Guaranty Corp.) Ser. B	4.38	12/1/2058	790,000	767,919
				<b>9,926,195</b>
<b>Oklahoma — 2.9%</b>				
Tender Option Bond Trust Receipts (Series 2023-XF1572), (Oklahoma Water Resources Board State Loan Program, Revenue Bonds, Ser. B) Non-Recourse, Underlying Coupon Rate 4.13% <sup>(b),(d),(e)</sup>	5.93	10/1/2053	10,000,000	<b>9,454,823</b>
<b>Oregon — .3%</b>				
Port of Portland, Revenue Bonds, Refunding (Sustainable Bond) Ser. 29	5.50	7/1/2048	1,000,000	<b>1,062,259</b>
<b>Pennsylvania — 7.3%</b>				
Clairton Municipal Authority, Revenue Bonds, Refunding, Ser. B	4.38	12/1/2042	1,200,000	1,184,459
Franklin County Industrial Development Authority, Revenue Bonds, Refunding (Menno-Haven Project)	5.00	12/1/2053	1,000,000	876,298
Pennsylvania Economic Development Financing Authority, Revenue Bonds (The Penndot Major Bridges)	6.00	6/30/2061	2,000,000	2,122,924
Pennsylvania Turnpike Commission, Revenue Bonds, Ser. A	4.00	12/1/2050	1,500,000	1,367,263

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Pennsylvania — 7.3% (continued)</b>				
Philadelphia Housing Authority, Revenue Bonds (PHADC Acquisition Program) Ser. A	5.25	3/1/2045	1,000,000	1,047,393
Tender Option Bond Trust Receipts (Series 2022-XF1408), (Pennsylvania State Turnpike Commission, Revenue Bonds, Refunding, Ser. A) Non-Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	4.77	12/1/2051	10,000,000	9,161,702
Tender Option Bond Trust Receipts (Series 2023-XF1525), (Pennsylvania Economic Development Financing Authority, Revenue Bonds (University of Pittsburgh Medical Center) Ser. A) Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	4.58	5/15/2053	3,440,000	3,048,539
Tender Option Bond Trust Receipts (Series 2023-XM1133), (Philadelphia Water & Wastewater, Revenue Bonds, Refunding (Insured; Assured Guaranty Corp.) Ser. B) Non-Recourse, Underlying Coupon Rate 5.50% <sup>(b),(d),(e)</sup>	11.95	9/1/2053	4,380,000	4,733,434
				<b>23,542,012</b>
<b>Rhode Island — 2.8%</b>				
Rhode Island Health & Educational Building Corp., Revenue Bonds (Lifespan Obligated Group)	5.25	5/15/2054	1,250,000	1,271,377

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Rhode Island — 2.8% (continued)</b>				
Rhode Island Health and Educational Building Corp., Revenue Bonds (Insured; Assured Guaranty Corp.) (PRG - RI Properties LLC) Ser. A	5.00	7/1/2065	1,750,000	1,750,029
Tender Option Bond Trust Receipts (Series 2023-XM1117), (Rhode Island Infrastructure Bank State Revolving Fund, Revenue Bonds, Ser. A) Non-Recourse, Underlying Coupon Rate 4.25% <sup>(b),(d),(e)</sup>	5.51	10/1/2053	6,000,000	5,907,516
				<b>8,928,922</b>
<b>South Carolina — 5.3%</b>				
South Carolina Jobs-Economic Development Authority, Revenue Bonds (Bishop Gadsden Episcopal Retirement Community)	5.00	4/1/2036	1,270,000	1,377,105
South Carolina Jobs-Economic Development Authority, Revenue Bonds, Refunding (Bon Secours Mercy Health)	4.00	12/1/2044	3,500,000	3,283,579
South Carolina Public Service Authority, Revenue Bonds, Refunding (Santee Cooper) Ser. A	4.00	12/1/2055	2,000,000	1,770,414
Tender Option Bond Trust Receipts (Series 2024-XM1175), (South Carolina Public Service Authority, Revenue Bonds, Refunding (Insured; Assured Guaranty Corp.) Ser. B) Non-Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	8.25	12/1/2054	10,200,000	10,628,353
				<b>17,059,451</b>

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>South Dakota — 1.0%</b>				
Tender Option Bond Trust Receipts (Series 2022-XF1409), (South Dakota Health & Educational Facilities Authority, Revenue Bonds, Refunding (Avera Health Obligated Group)) Non-Recourse, Underlying Coupon Rate 5.00% <sup>(b),(d),(e)</sup>	10.34	7/1/2046	3,200,000	<b>3,223,049</b>
<b>Tennessee — .4%</b>				
Knox County Health Educational & Housing Facility Board, Revenue Bonds (University of Tennessee Project) (Insured; Build America Mutual) Ser. B1	5.25	7/1/2064	1,300,000	<b>1,339,329</b>
<b>Texas — 10.7%</b>				
Aldine Independent School District, GO (Insured; Permanent School Fund Guarantee Program)	4.00	2/15/2054	1,000,000	922,168
Arlington Higher Education Finance Corp., Revenue Bonds (BASIS Texas Charter Schools) <sup>(b)</sup>	4.88	6/15/2054	1,050,000	949,807
Arlington Higher Education Finance Corp., Revenue Bonds (Riverwalk Education Foundation, Inc.) (Insured; Permanent School Fund Guarantee Program)	4.50	8/15/2060	1,065,000	1,044,890
Arlington Higher Education Finance Corp., Revenue Bonds (Uplift Education Project) (Insured; Permanent School Fund Guarantee Program) Ser. A	4.25	12/1/2048	1,050,000	999,517
Clifton Higher Education Finance Corp., Revenue Bonds (IDEA Public Schools) Ser. A	4.00	8/15/2051	2,000,000	1,757,187

*SCHEDULE OF INVESTMENTS (continued)*

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Texas — 10.7% (continued)</b>				
Clifton Higher Education Finance Corp., Revenue Bonds (Uplift Education) Ser. A	4.50	12/1/2044	2,500,000	2,345,870
Clifton Higher Education Finance Corp., Revenue Bonds, Refunding (International Leadership of Texas, Inc.) (Insured; Permanent School Fund Guarantee Program) Ser. A	4.25	8/15/2053	2,000,000	1,897,186
Dallas Independent School District, GO, Refunding (Insured; Permanent School Fund Guarantee Program)	4.00	2/15/2054	1,000,000	923,674
El Paso County Hospital District, GO (El Paso County) (Insured; Assured Guaranty Corp.)	5.50	2/15/2050	2,000,000	2,139,433
Fort Bend County Toll Road, Revenue Bonds, Refunding (Insured; Assured Guaranty Corp.)	4.25	3/1/2054	1,500,000	1,460,586
Grand Parkway Transportation Corp., Revenue Bonds, Refunding	4.00	10/1/2049	2,000,000	1,858,458
Harris County-Houston Sports Authority, Revenue Bonds, Refunding (Insured; Assured Guaranty Corp.) Ser. A <sup>(f)</sup>	0.00	11/15/2051	7,500,000	2,076,637
Houston Airport System, Revenue Bonds (United Airlines) Ser. B	5.50	7/15/2038	2,500,000	2,705,983
Houston Airport System, Revenue Bonds, Refunding (Insured; Assured Guaranty Corp.) Ser. A	4.50	7/1/2053	1,700,000	1,640,331
Houston Airport System, Revenue Bonds, Refunding, Ser. A	4.00	7/1/2046	1,000,000	915,820
Lamar Consolidated Independent School District, GO	4.00	2/15/2053	1,000,000	925,396

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Texas — 10.7% (continued)</b>				
Love Field Airport Modernization Corp., Revenue Bonds (Southwest Airlines Co. Project)	5.00	11/1/2028	535,000	535,281
Mission Economic Development Corp., Revenue Bonds, Refunding (Natgasoline Project) <sup>(b)</sup>	4.63	10/1/2031	1,000,000	1,002,957
Port of Beaumont Navigation District, Revenue Bonds (Jefferson Gulf Coast Energy Project) Ser. A <sup>(b)</sup>	5.25	1/1/2054	1,000,000	960,288
Tarrant County Cultural Education Facilities Finance Corp., Revenue Bonds, Refunding (Baylor Scott & White Health Project) (LOC; Barclays Bank PLC) Ser. B <sup>(d)</sup>	2.15	8/1/2050	500,000	500,000
Tender Option Bond Trust Receipts (Series 2023-XM1125), (Medina Valley Independent School District, GO (Insured; Permanent School Fund Guarantee Program)) Non-Recourse, Underlying Coupon Rate 4.00% <sup>(b),(d),(e)</sup>	5.58	2/15/2053	6,000,000	5,497,169
Texas Municipal Gas Acquisition & Supply Corp. IV, Revenue Bonds, Ser. B <sup>(a)</sup>	5.50	1/1/2034	1,500,000	1,704,761
				<b>34,763,399</b>
<b>U.S. Related — 1.3%</b>				
Puerto Rico, GO, Ser. A <sup>(f)</sup>	0.00	7/1/2033	284,274	204,953
Puerto Rico, GO, Ser. A1	4.00	7/1/2033	220,898	220,763
Puerto Rico, GO, Ser. A1	4.00	7/1/2035	198,557	197,240
Puerto Rico, GO, Ser. A1	4.00	7/1/2037	170,415	163,841
Puerto Rico, GO, Ser. A1	4.00	7/1/2041	231,699	214,253
Puerto Rico, GO, Ser. A1	4.00	7/1/2046	240,964	214,406
Puerto Rico, GO, Ser. A1	5.63	7/1/2027	243,790	249,398
Puerto Rico, GO, Ser. A1	5.63	7/1/2029	2,489,835	2,643,569
Puerto Rico, GO, Ser. A1	5.75	7/1/2031	232,950	256,614
				<b>4,365,037</b>

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Utah — 1.4%</b>				
Mida Cormont Public Infrastructure District, GO, Ser. A2 <sup>(b),(h)</sup>	6.75	6/1/2055	1,855,000	1,578,030
Point Phase 1 Public Infrastructure District No. 1, Revenue Bonds, Ser. A1	6.13	3/1/2055	800,000	835,115
Utah Infrastructure Agency, Revenue Bonds, Refunding, Ser. A	5.00	10/15/2037	2,000,000	2,024,487
				<b>4,437,632</b>
<b>Virginia — 5.5%</b>				
Henrico County Economic Development Authority, Revenue Bonds, Refunding (Insured; Assured Guaranty Corp.) <sup>(d)</sup>	5.96	8/23/2027	1,700,000	1,826,977
Tender Option Bond Trust Receipts (Series 2018-XM0593), (Hampton Roads Transportation Accountability Commission, Revenue Bonds) Non-Recourse, Underlying Coupon Rate 5.50% <sup>(b),(d),(e)</sup>	11.92	7/1/2057	7,500,000	7,955,862
Tender Option Bond Trust Receipts (Series 2024-XM1176), (Virginia State Housing Development Authority, Revenue Bonds, Ser. A) Recourse, Underlying Coupon Rate 4.80% <sup>(b),(d),(e)</sup>	9.56	9/1/2059	3,495,000	3,517,347
Virginia College Building Authority, Revenue Bonds (Sustainable Bond) (Marymount University Project) <sup>(b)</sup>	5.00	7/1/2045	1,000,000	761,392

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Virginia — 5.5% (continued)</b>				
Virginia Small Business Financing Authority, Revenue Bonds (Transform 66 P3 Project)	5.00	12/31/2052	2,850,000	2,771,897
Williamsburg Economic Development Authority, Revenue Bonds (William & Mary Project) (Insured; Assured Guaranty Corp.) Ser. A	4.13	7/1/2058	1,000,000	946,116
				<b>17,779,591</b>
<b>Washington — .7%</b>				
Washington Housing Finance Commission, Revenue Bonds, Refunding (Horizon House Project) Ser. B3	4.38	1/1/2033	1,000,000	1,002,146
Washington Housing Finance Commission, Revenue Bonds, Refunding (Presbyterian Retirement Communities Northwest Obligated Group) Ser. A <sup>(b)</sup>	5.00	1/1/2051	1,465,000	1,347,054
				<b>2,349,200</b>
<b>West Virginia — .6%</b>				
West Virginia Hospital Finance Authority, Revenue Bonds (West Virginia University Health System Obligated Group) Ser. A	5.50	6/1/2050	1,750,000	<b>1,875,800</b>
<b>Wisconsin — 6.4%</b>				
Public Finance Authority, Revenue Bonds (CHF - Wilmington) (Insured; Assured Guaranty Corp.)	5.00	7/1/2058	815,000	813,766
Public Finance Authority, Revenue Bonds (EMU Campus Living) (Insured; Build America Mutual) Ser. A1	5.50	7/1/2052	1,500,000	1,574,198

SCHEDULE OF INVESTMENTS (continued)

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Wisconsin — 6.4% (continued)</b>				
Public Finance Authority, Revenue Bonds (EMU Campus Living) (Insured; Build America Mutual) Ser. A1	5.63	7/1/2055	1,650,000	1,742,255
Public Finance Authority, Revenue Bonds (Georgia SR 400 Express Lanes Project)	6.50	12/31/2065	3,310,000	3,663,094
Public Finance Authority, Revenue Bonds (Heritage Bend Project) <sup>(b),(f)</sup>	0.00	12/15/2042	4,500,000	1,375,526
Public Finance Authority, Revenue Bonds, Ser. 1	5.75	7/1/2062	3,411,240	3,579,671
Public Finance Authority, Revenue Bonds, Refunding (Kahala Nui Project)	5.25	11/15/2061	1,000,000	1,007,132
Public Finance Authority, Revenue Bonds, Refunding (Legacy Hills Project) <sup>(b)</sup>	6.00	11/15/2045	1,900,000	1,852,414
Public Finance Authority, Revenue Bonds, Refunding (Lindenwood Education System) Ser. A <sup>(b)</sup>	5.50	6/1/2040	1,000,000	1,048,350
Public Finance Authority, Revenue Bonds, Refunding (Mary's Woods at Marylhurst Project) <sup>(b)</sup>	5.25	5/15/2042	750,000	752,170
Public Finance Authority, Revenue Bonds, Refunding (Triad Educational Services, Inc.)	5.25	6/15/2065	1,000,000	956,864

Description	Coupon Rate (%)	Maturity Date	Principal Amount (\$)	Value (\$)
<b>Long-Term Municipal Investments — 150.6% (continued)</b>				
<b>Wisconsin — 6.4% (continued)</b>				
Wisconsin Health & Educational Facilities Authority, Revenue Bonds (Bellin Memorial Hospital Obligated Group)	5.50	12/1/2052	1,000,000	1,070,671
Wisconsin Health & Educational Facilities Authority, Revenue Bonds, Refunding (St. Camillus Health System Obligated Group)	5.00	11/1/2046	1,250,000	1,164,886
				<b>20,600,997</b>
<b>Total Investments</b> (cost \$492,691,597)			<b>150.6%</b>	<b>487,600,681</b>
<b>Liabilities, Less Cash and Receivables</b>			<b>(50.6%)</b>	<b>(163,799,952)</b>
<b>Net Assets Applicable to Common Stockholders</b>			<b>100.0%</b>	<b>323,800,729</b>

FHLMC—Federal Home Loan Mortgage Corporation

FNMA—Federal National Mortgage Association

GNMA—Government National Mortgage Association

GO—Government Obligation

LOC—Letter of Credit

- (a) These securities have a put feature; the date shown represents the put date and the bond holder can take a specific action to retain the bond after the put date.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At November 30, 2025, these securities amounted to \$205,522,399 or 63.5% of net assets applicable to Common Stockholders.
- (c) Non-income producing—security in default.
- (d) The Variable Rate is determined by the Remarketing Agent in its sole discretion based on prevailing market conditions and may, but need not, be established by reference to one or more financial indices.
- (e) These bonds serve as collateral in a secured borrowings. The coupon rate given represents the current interest rate for the inverse floating rate security. See Note 3 of the Notes to Financial Statements for details.
- (f) Security issued with a zero coupon. Income is recognized through the accretion of discount.
- (g) These securities are prerefunded; the date shown represents the prerefunded date. Bonds which are prerefunded are collateralized by U.S. Government securities which are held in escrow and are used to pay principal and interest on the municipal issue and to retire the bonds in full at the earliest refunding date.
- (h) Multi-coupon. Zero coupon until a specified date at which time the stated coupon rate becomes effective until maturity.

See notes to financial statements.

# STATEMENT OF ASSETS AND LIABILITIES

November 30, 2025

	Cost	Value
<b>Assets (\$):</b>		
Investments in securities—See Schedule of Investments	492,691,597	487,600,681
Cash		681,411
Interest receivable		7,588,453
Prepaid expenses		10,343
		<b>495,880,888</b>
<b>Liabilities (\$):</b>		
Due to BNY Mellon Investment Adviser, Inc. and affiliates—Note 2(b)		213,474
Payable for inverse floater notes issued—Note 3		117,845,000
VMTP Shares at liquidation value—Note 1 (\$49,300,000 face amount, report net of unamortized VMTP Shares deferred offering cost of \$59,096)—Note 1(g)		49,240,904
Payable for investment securities purchased		2,371,727
Interest and expense payable related to inverse floater notes issued—Note 3		1,168,509
Dividends payable to Common Stockholders		1,136,860
Directors' fees and expenses payable		2,508
Other accrued expenses		101,177
		<b>172,080,159</b>
<b>Net Assets Applicable to Common Stockholders (\$)</b>		<b>323,800,729</b>
<b>Composition of Net Assets (\$):</b>		
Common Stock, par value, \$.001 per share (49,428,691 shares issued and outstanding)		49,429
Paid-in capital		368,386,722
Total distributable earnings (loss)		(44,635,422)
<b>Net Assets Applicable to Common Stockholders (\$)</b>		<b>323,800,729</b>
<b>Shares Outstanding</b>		
(110 million shares authorized)		49,428,691
<b>Net Asset Value Per Share of Common Stock (\$)</b>		<b>6.55</b>

*See notes to financial statements.*

# STATEMENT OF OPERATIONS

Year Ended November 30, 2025

<b>Investment Income (\$):</b>	
<b>Interest Income</b>	<b>22,764,357</b>
<b>Expenses:</b>	
Management fee—Note 2(a)	1,830,507
Interest and expense related to inverse floater notes issued—Note 3	3,988,623
VMTP Shares interest expense and amortization of offering costs—Note 1(g)	1,890,352
Administration fee—Note 2(a)	915,253
Professional fees	140,300
Shareholders' reports	76,582
Directors' fees and expenses—Note 2(c)	54,063
Registration fees	48,131
Chief Compliance Officer fees—Note 2(b)	14,683
Shareholder and regulatory reports service fees—Note 2(b)	11,833
Shareholder servicing costs—Note 2(b)	9,046
Redemption and Paying Agent fees—Note 2(b)	7,500
Custodian fees—Note 2(b)	4,288
Miscellaneous	36,400
<b>Total Expenses</b>	<b>9,027,561</b>
Less—reduction in expenses due to undertaking—Note 2(a)	(366,101)
Less—reduction in fees due to earnings credits—Note 2(b)	(4,288)
<b>Net Expenses</b>	<b>8,657,172</b>
<b>Net Investment Income</b>	<b>14,107,185</b>
<b>Realized and Unrealized Gain (Loss) on Investments—Note 3 (\$):</b>	
Net realized gain (loss) on investments	(2,660,048)
Net change in unrealized appreciation (depreciation) on investments	(16,963,653)
<b>Net Realized and Unrealized Gain (Loss) on Investments</b>	<b>(19,623,701)</b>
<b>Net (Decrease) in Net Assets Applicable to Common Stockholders Resulting from Operations</b>	<b>(5,516,516)</b>

See notes to financial statements.

# STATEMENT OF CASH FLOWS

Year Ended November 30, 2025

<b>Cash Flows from Operating Activities (\$):</b>	
Purchases of long term portfolio securities	(130,480,210)
Proceeds from sales of long term portfolio securities	136,632,049
Interest income received	22,733,870
Interest and expense related to inverse floater notes issued	(4,195,543)
VMTP Shares interest expense and amortization of offering costs paid	(1,796,222)
Expenses paid to BNY Mellon Investment Adviser, Inc. and affiliates	(2,409,807)
Operating expenses paid	(356,803)
<b>Net Cash Provided (or Used) in Operating Activities</b>	<b>20,127,334</b>
<b>Cash Flows From Financing Activities (\$):</b>	
Dividends paid to Common Stockholders	(11,912,315)
Decrease in Cash Overdraft due to Custodian	(13,608)
Decrease in payable for inverse floater notes issued	(7,520,000)
<b>Net Cash Provided (or Used) in Financing Activities</b>	<b>(19,445,923)</b>
<b>Net Increase (Decrease) in Cash</b>	<b>681,411</b>
Cash at beginning of period	-
<b>Cash at End of Period</b>	<b>681,411</b>
<b>Reconciliation of Net Increase (Decrease) in Net Assets Applicable to Common Stockholders Resulting from Operations to Net Cash Provided by (or Used) in Operating Activities (\$):</b>	
Net (Decrease) in Net Assets Resulting From Operations	(5,516,516)
<b>Adjustments to Reconcile Net Increase (Decrease) in Net Assets Applicable to Common Stockholders Resulting from Operations to Net Cash Provided (or Used) in Operating Activities (\$):</b>	
Decrease in investments in securities at cost	10,697,920
Increase in interest receivable	(30,487)
Decrease in unamortized VMTP Shares offering costs	94,130
Decrease in prepaid expenses	13,468
Increase in Due to BNY Mellon Investment Adviser, Inc. and affiliates	3,868
Decrease in payable for investment securities purchased	(1,886,033)
Decrease in interest and expense payable related to inverse floater notes issued	(206,920)
Decrease in Directors' fees and expenses payable	(16,607)
Increase in other accrued expenses	10,858
Net change in unrealized (appreciation) depreciation on investments	16,963,653
<b>Net Cash Provided (or Used) in Operating Activities</b>	<b>20,127,334</b>

See notes to financial statements.

## STATEMENT OF CHANGES IN NET ASSETS

	Year Ended November 30,	
	2025	2024
<b>Operations (\$):</b>		
Net investment income	14,107,185	12,698,512
Net realized gain (loss) on investments	(2,660,048)	(4,541,107)
Net change in unrealized appreciation (depreciation) on investments	(16,963,653)	24,247,074
<b>Net Increase (Decrease) in Net Assets Applicable to Common Stockholders Resulting from Operations</b>	<b>(5,516,516)</b>	<b>32,404,479</b>
<b>Distributions (\$):</b>		
Distributions to stockholders	(12,159,458)	(10,676,597)
<b>Distributions to Common Stockholders</b>	<b>(12,159,458)</b>	<b>(10,676,597)</b>
<b>Total Increase (Decrease) in Net Assets Applicable to Common Stockholders</b>	<b>(17,675,974)</b>	<b>21,727,882</b>
<b>Net Assets Applicable to Common Stockholders (\$):</b>		
Beginning of Period	341,476,703	319,748,821
<b>End of Period</b>	<b>323,800,729</b>	<b>341,476,703</b>

*See notes to financial statements.*

## FINANCIAL HIGHLIGHTS

The following table describes the performance for the fiscal periods indicated. Market price total return is calculated assuming an initial investment made at the market price at the beginning of the period, reinvestment of all dividends and distributions at market price during the period, and sale at the market price on the last day of the period.

	Year Ended November 30,				
	2025	2024	2023 <sup>(a)</sup>	2022 <sup>(b)</sup>	2021 <sup>(c)</sup>
<b>Per Share Data (\$):</b>					
Net asset value, beginning of period	6.91	6.47	6.57	8.38	8.24
Investment Operations:					
Net investment income <sup>(d)</sup>	.29	.26	.25	.33	.37
Net realized and unrealized gain (loss) on investments	(.40)	.40	(.06)	(1.77)	.13
Dividends to Preferred Stockholders from net investment income	-	-	(.04)	(.02)	(.00) <sup>(e)</sup>
Total from Investment Operations	(.11)	.66	.15	(1.46)	.50
Distributions to Common Stockholders:					
Dividends from net investment income	(.25)	(.22)	(.25)	(.35)	(.36)
Net asset value, end of period	6.55	6.91	6.47	6.57	8.38
Market value, end of period	5.89	6.14	5.41	5.92	8.24
<b>Market Price Total Return (%)</b>	.10	17.73	(4.48)	(24.21)	12.46

	Year Ended November 30,				
	2025	2024	2023 <sup>(a)</sup>	2022 <sup>(b)</sup>	2021 <sup>(c)</sup>
<b>Ratios/Supplemental Data (%):</b>					
Ratio of total expenses to average net assets	2.85	2.99	2.58	1.54	1.20
Ratio of net expenses to average net assets <sup>(f),(g)</sup>	2.73	2.87	2.47	1.43	1.09
Ratio of interest and expense related to inverse floater notes issued, and VMTP Shares interest expense to average net assets	1.86 <sup>(h)</sup>	2.00 <sup>(h)</sup>	1.59	.56	.25
Ratio of net investment income to average net assets <sup>(f),(g)</sup>	4.45	3.82	3.92	4.64	4.39
Portfolio Turnover Rate	32.21	27.50	34.88	30.58	9.10
Asset Coverage of VMTP Shares and Preferred Stock, end of period	757	793	749	759	940
<b>Net Assets, applicable to Common Stockholders, end of period (\$ x 1,000)</b>					
	323,801	341,477	319,749	324,663	414,262
<b>VMTP Shares and Preferred Stock Outstanding, end of period (\$ x 1,000)</b>					
	49,300	49,300	49,300	49,300	49,300
<b>Floating Rate Notes Outstanding, end of period (\$ x 1,000)</b>					
	117,845	125,365	113,555	116,415	138,705

<sup>(a)</sup> The ratios based on total average net assets including dividends to Preferred Stockholders are as follows: total expense ratio of 2.36%, a net expense ratio of 2.25%, an interest expense related to floating rate notes issued ratio of 1.45% and a net investment income of 3.58%.

<sup>(b)</sup> The ratios based on total average net assets including dividends to Preferred Stockholders are as follows: total expense ratio of 1.35%, a net expense ratio of 1.25%, an interest expense related to floating rate notes issued ratio of .49% and a net investment income of 4.07%.

<sup>(c)</sup> The ratios based on total average net assets including dividends to Preferred Stockholders are as follows: total expense ratio of 1.07%, a net expense ratio of .97%, an interest expense related to floating rate notes issued ratio of .23% and a net investment income of 3.92%.

<sup>(d)</sup> Based on average common shares outstanding.

<sup>(e)</sup> Amount represents less than \$.01 per share.

<sup>(f)</sup> Amount inclusive of reduction in expenses due to undertaking.

<sup>(g)</sup> Amount inclusive of reduction in fees due to earnings credits.

<sup>(h)</sup> Amount inclusive of VMTP Shares amortization of offering cost.

See notes to financial statements.

# NOTES TO FINANCIAL STATEMENTS

## **NOTE 1—Significant Accounting Policies:**

BNY Mellon Strategic Municipal Bond Fund, Inc. (the “fund”), which is registered under the Investment Company Act of 1940, as amended (the “Act”), is a diversified closed-end management investment company. The fund’s investment objective is to seek to maximize current income exempt from federal income tax to the extent consistent with the preservation of capital. BNY Mellon Investment Adviser, Inc. (the “Adviser”), a wholly-owned subsidiary of The Bank of New York Mellon Corporation (“BNY”), serves as the fund’s investment adviser. Insight North America LLC (the “Sub-Adviser”), an indirect wholly-owned subsidiary of BNY and an affiliate of the Adviser, serves as the fund’s sub-adviser. The fund’s common stock (“Common Stock”) trades on the New York Stock Exchange (the “NYSE”) under the ticker symbol DSM.

The fund has outstanding 1,972 shares of Variable Rate MuniFund Term Preferred Shares (“VMTP Shares”). The fund is subject to certain restrictions relating to the VMTP Shares. Failure to comply with these restrictions could preclude the fund from declaring any distributions to shareholders of the fund’s Common Stock (“Common Stockholders”) or repurchasing shares of Common Stock and/or could trigger the mandatory redemption of VMTP Shares at their liquidation value (i.e., \$25,000 per share). Thus, redemptions of VMTP Shares may be deemed to be outside of the control of the fund.

The VMTP Shares have a mandatory redemption date of July 14, 2053, and are subject to an initial early redemption date of July 13, 2026, subject to the option of the holders to retain the VMTP Shares. VMTP Shares that are neither retained by the holder nor successfully remarketed by the early redemption date will be redeemed by the fund.

The holders of VMTP Shares, voting as a separate class, have the right to elect at least two directors. The holders of VMTP Shares will vote as a separate class on certain other matters, as required by law. The fund’s Board of Directors (the “Board”) has designated Robin A. Melvin and Benaree Pratt Wiley as directors to be elected by the holders of VMTP Shares.

Dividends on VMTP Shares are normally declared daily and paid monthly. The Dividend Rate on the VMTP Shares is, except as otherwise provided, equal to the rate per annum that results from the sum of (1) the Index Rate plus (2) the Applicable Spread as determined for the VMTP Shares on the Rate Determination Date immediately preceding such Subsequent Rate Period plus (3) the Failed Remarketing Spread (all defined terms as defined in the fund’s articles supplementary) (see Note 1(e) - Dividends to stockholders of VMTP Shares).

The Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) is the exclusive reference of authoritative U.S. generally accepted accounting principles (“GAAP”) recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission (“SEC”) under

authority of federal laws are also sources of authoritative GAAP for SEC registrants. The fund is an investment company and applies the accounting and reporting guidance of the FASB ASC Topic 946 Financial Services-Investment Companies. The fund's financial statements are prepared in accordance with GAAP, which may require the use of management estimates and assumptions. Actual results could differ from those estimates.

The fund enters into contracts that contain a variety of indemnifications. The fund's maximum exposure under these arrangements is unknown. The fund does not anticipate recognizing any loss related to these arrangements.

**(a) Portfolio valuation:** The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). GAAP establishes a fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. This hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Additionally, GAAP provides guidance on determining whether the volume and activity in a market has decreased significantly and whether such a decrease in activity results in transactions that are not orderly. GAAP requires enhanced disclosures around valuation inputs and techniques used during annual and interim periods.

Various inputs are used in determining the value of the fund's investments relating to fair value measurements. These inputs are summarized in the three broad levels listed below:

**Level 1**—unadjusted quoted prices in active markets for identical investments.

**Level 2**—other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).

**Level 3**—significant unobservable inputs (including the fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy. Valuation techniques used to value the fund's investments are as follows:

The Board has designated the Adviser as the fund's valuation designee to make all fair value determinations with respect to the fund's portfolio investments, subject to the Board's oversight and pursuant to Rule 2a-5 under the Act.

Investments in municipal securities are valued each business day by an independent pricing service (the "Service"). Investments for which quoted bid prices are readily available and are representative of the bid side of the market in the judgment of the Service

are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Municipal investments (which constitute a majority of the portfolio securities) are carried at fair value as determined by the Adviser based on values supplied by the Service, based on methods which include consideration of the following: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. The Service is engaged under the general oversight of the Adviser. All of the preceding securities are generally categorized within Level 2 of the fair value hierarchy.

When market quotations or official closing prices are not readily available, or are determined not to accurately reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the fund calculates its net asset value, the fund may value these investments at fair value as determined in accordance with the procedures approved by the Board. Certain factors may be considered when fair valuing investments such as: fundamental analytical data, the nature and duration of restrictions on disposition, an evaluation of the forces that influence the market in which the securities are purchased and sold, and public trading in similar securities of the issuer or comparable issuers. These securities are either categorized within Level 2 or 3 of the fair value hierarchy depending on the relevant inputs used.

For securities where observable inputs are limited, assumptions about market activity and risk are used and such securities are generally categorized within Level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of November 30, 2025 in valuing the fund's investments:

	Level 1 - Unadjusted Quoted Prices	Level 2- Other Significant Observable Inputs	Level 3- Significant Unobservable Inputs	Total
<b>Assets (\$)</b>				
Investments in Securities: <sup>†</sup>				
Municipal Securities	—	487,600,681	—	<b>487,600,681</b>
	—	<b>487,600,681</b>	—	<b>487,600,681</b>
<b>Liabilities (\$)</b>				
Other Financial Instruments:				
Inverse Floater Notes <sup>††</sup>	—	(117,845,000)	—	<b>(117,845,000)</b>
VMTP Shares <sup>††</sup>	—	(49,300,000)	—	<b>(49,300,000)</b>
	—	<b>(167,145,000)</b>	—	<b>(167,145,000)</b>

<sup>†</sup> See Schedule of Investments for additional detailed categorizations, if any.

<sup>††</sup> Certain of the fund's liabilities are held at carrying amount, which approximates fair value for financial reporting purposes.

**(b) Securities transactions and investment income:** Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the identified cost basis. Interest income, adjusted for accretion of discount and amortization of premium on investments, is earned from settlement date and is recognized on the accrual basis. Securities purchased or sold on a when-issued or delayed delivery basis may be settled a month or more after the trade date.

**(c) Market Risk:** The value of the securities in which the fund invests may be affected by political, regulatory, economic and social developments, and developments that impact specific economic sectors, industries or segments of the market. The value of a security may also decline due to general market conditions that are not specifically related to a particular company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, changes to inflation, adverse changes to credit markets or adverse investor sentiment generally. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed-income markets may negatively affect many issuers, which could adversely affect the fund. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial

market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies world-wide. Local, regional or global events such as war, military conflicts, acts of terrorism, natural disasters, the spread of infectious illness or other public health issues, recessions, elevated levels of government debt, changes in trade regulation or economic sanctions, internal unrest and discord, or other events could have a significant impact on the fund and its investments.

The Additional Information section within this annual report provides more details about the fund's principal risk factors.

**(d) Dividends and distributions to Common Stockholders:** Dividends and distributions are recorded on the ex-dividend date. Dividends from net investment income are normally declared and paid monthly. Dividends from net realized capital gains, if any, are normally declared and paid annually, but the fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To the extent that net realized capital gains can be offset by capital loss carryovers, it is the policy of the fund not to distribute such gains. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Common Stockholders will have their distributions reinvested in additional shares of the fund, unless such Common Stockholders elect to receive cash, at the lower of the market price or net asset value per share (but not less than 95% of the market price). If market price is equal to or exceeds net asset value, shares will be issued at net asset value. If net asset value exceeds market price, Computershare Inc., the transfer agent for the fund's Common Stock, will buy fund shares in the open market and reinvest those shares accordingly.

On November 26, 2025, the Board declared a cash dividend of \$.023 per share from undistributed net investment income, payable on December 31, 2025 to Common Stockholders of record as of the close of business on December 11, 2025, with an ex-dividend date of December 11, 2025.

**(e) Dividends to stockholders of VMTP Shares:** The Dividend Rate on the VMTP Shares is, except as otherwise provided, equal to the rate per annum that results from the sum of (1) the Index Rate plus (2) the Applicable Spread as determined for the VMTP Shares on the Rate Determination Date immediately preceding such Subsequent Rate Period plus (3) the Failed Remarketing Spread. The Applicable Rate of the VMTP Shares was equal to the sum of .95% per annum plus the Securities Industry and Financial Markets Association Municipal Swap Index rate of 2.79% on November 30, 2025. The dividend rate as of November 30, 2025 for the VMTP Shares was 3.74% (all terms as defined in the fund's articles supplementary).

**(f) Federal income taxes:** It is the policy of the fund to continue to qualify as a regulated

investment company, which can distribute tax-exempt dividends, by complying with the applicable provisions of the Code, and to make distributions of income and net realized capital gain sufficient to relieve it from substantially all federal income and excise taxes.

As of and during the period ended November 30, 2025, the fund did not have any liabilities for any uncertain tax positions. The fund recognizes interest and penalties, if any, related to uncertain tax positions as income tax expense in the Statement of Operations. During the period ended November 30, 2025, the fund did not incur any interest or penalties.

Each tax year in the four-year period ended November 30, 2025 remains subject to examination by the Internal Revenue Service and state taxing authorities.

At November 30, 2025, the components of accumulated earnings on a tax basis were as follows: undistributed tax-exempt income \$4,682,841, accumulated capital losses \$43,850,115 and unrealized depreciation \$4,331,288.

The fund is permitted to carry forward capital losses for an unlimited period. Furthermore, capital loss carryovers retain their character as either short-term or long-term capital losses.

The accumulated capital loss carryover is available for federal income tax purposes to be applied against future net realized capital gains, if any, realized subsequent to November 30, 2025. The fund has \$16,527,391 of short-term capital losses and \$27,322,724 of long-term capital losses which can be carried forward for an unlimited period.

The tax character of distributions paid to Common Stockholders during the fiscal years ended November 30, 2025 and November 30, 2024 were as follows: tax-exempt income \$12,159,458 and \$10,676,597, respectively.

**(g) VMTP Shares:** The fund's VMTP Shares aggregate liquidation preference is shown as a liability since they have a stated mandatory redemption date of July 14, 2053. The VMTP Shares are subject to an initial early redemption date of July 13, 2026, subject to the option of the holders to retain the VMTP Shares. VMTP Shares that are neither retained by the holder nor successfully remarketed by the early redemption date will be redeemed by the fund. Dividends paid on VMTP Shares are treated as interest expense and recorded on the accrual basis. Costs directly related to the issuance of the VMTP Shares are considered debt issuance costs which have been deferred and are being amortized into expense over 36 months from July 12, 2023.

During the period ended November 30, 2025, total interest expenses and amortized offering costs with respect to VMTP Shares amounted to \$1,890,352 inclusive of \$1,796,222 of interest expense and \$94,130 amortized deferred offering costs. These fees are included in VMTP Shares interest expense and amortization of offering costs in the Statement of Operations.

The average amount of borrowings outstanding for the VMTP Shares during the period ended November 30, 2025 was approximately \$49,300,000, with a related weighted average annualized interest rate of 3.64%.

**(h) Operating segment reporting:** In this reporting period, the fund adopted FASB Accounting Standards Update 2023-07, Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures (“ASU 2023-07”). Adoption of the new standard impacted financial statement disclosures only and did not affect the fund’s financial position or the results of its operations. The ASU 2023-07 is effective for public entities for fiscal years beginning after December 15, 2023, and requires retrospective application for all prior periods presented within the financial statements.

Since its commencement, the fund operates and is managed as a single reportable segment deriving returns in the form of dividends, interest and/or gains from the investments made in pursuit of its single stated investment objective as outlined in the fund’s prospectus. The accounting policies of the fund are consistent with those described in these Notes to Financial Statements. The chief operating decision maker (“CODM”) is represented by BNY Investments. The CODM is comprised of Senior Management and Directors of BNY Investments. The CODM considers net increase in net assets resulting from operations in deciding whether to purchase additional investments or to make distributions to fund shareholders. Detailed financial information for the fund is disclosed within these financial statements with total assets and liabilities disclosed on the Statement of Assets and Liabilities, investments held on the Schedule of Investments, results of operations and significant segment expenses on the Statement of Operations and other information about the fund’s performance, including total return, portfolio turnover and ratios within the Financial Highlights.

**NOTE 2—Management Fee, Sub-Advisory Fee, Administration Fee and Other Transactions with Affiliates:**

**(a)** Pursuant to an investment advisory agreement with the Adviser, the management fee is computed at the annual rate of .50% of the value of the fund’s average weekly net assets (including net assets representing VMTP Shares outstanding) and is payable monthly. The fund also has an administration agreement with the Adviser and a custody agreement with The Bank of New York Mellon (the “Custodian”), a subsidiary of BNY and an affiliate of the Adviser. The fund pays in the aggregate for administration, custody and transfer agency services, a monthly fee based on an annual rate of .25% of the value of the fund’s average weekly net assets (including net assets representing VMTP Shares outstanding). All out-of-pocket transfer agency and custody expenses, including custody transaction expenses, are paid separately by the fund.

The Adviser has agreed, from December 1, 2024 through May 31, 2026, to waive receipt of a portion of the fund’s management fee in the amount of .10% of the value of the fund’s

average weekly net assets (including net assets representing VMTP Shares outstanding). The reduction in expenses related to fee waiver, pursuant to the waiver agreement, amounted to \$366,101 during the period ended November 30, 2025.

Pursuant to a sub-investment advisory agreement between the Adviser and the Sub-Adviser, the Adviser pays the Sub-Adviser a monthly fee at an annual rate of .24% of the value of the fund's average weekly net assets (including net assets representing VMTP Shares outstanding).

**(b)** The fund has an arrangement with the Custodian whereby the fund may receive earnings credits when positive cash balances are maintained, which are used to offset Custodian fees. For financial reporting purposes, the fund includes custody net earning credits as an expense offset in the Statement of Operations.

The fund compensates the Custodian, under a custody agreement, for providing custodial services for the fund. These fees are determined based on net assets, geographic region and transaction activity. During the period ended November 30, 2025, the fund was charged \$4,288 pursuant to the custody agreement. These fees were offset by earnings credits of \$4,288.

The fund compensates The Bank of New York Mellon under a Redemption and Paying Agent Agreement for providing certain transfer agency and payment services with respect to the VMTP Shares. During the period ended November 30, 2025, the fund was charged \$7,500 for the services provided by the Redemption and Paying Agent (the "Redemption and Payment Agent").

During the period ended November 30, 2025, the fund was charged \$14,683 for services performed by the fund's Chief Compliance Officer and his staff. These fees are included in Chief Compliance Officer fees in the Statement of Operations.

The fund compensates the Custodian for providing shareholder reporting and regulatory services for the fund. These fees are included in Shareholder and regulatory reports service fees in the Statement of Operations. During the period ended November 30, 2025, the Custodian was compensated \$11,833 for financial reporting and regulatory services.

The components of "Due to BNY Mellon Investment Adviser, Inc. and affiliates" in the Statement of Assets and Liabilities consist of: Management fee of \$153,342, Administration fees of \$76,671, Custodian fees of \$1,065, Redemption and Paying Agent fees of \$2,500, Chief Compliance Officer fees of \$1,850 and Shareholder and regulatory reports service fees of \$6,667, which are offset against an expense reimbursement currently in effect in the amount of \$28,621.

**(c)** Each board member of the fund also serves as a board member of other funds in the BNY Mellon Family of Funds complex. Annual retainer fees and attendance fees are allocated to each fund based on net assets.

**NOTE 3—Securities Transactions:**

The aggregate amount of purchases and sales (including paydowns) of investment securities, excluding short-term securities and secured borrowings of inverse floater securities, during the period ended November 30, 2025, amounted to \$117,437,584 and \$117,416,719, respectively.

**Inverse Floater Securities:** The fund participates in secondary inverse floater structures in which fixed-rate, tax-exempt municipal bonds are transferred to a trust (the “Inverse Floater Trust”). The Inverse Floater Trust typically issues two variable rate securities that are collateralized by the cash flows of the fixed-rate, tax-exempt municipal bonds. One of these variable rate securities pays interest based on a short-term floating rate set by a remarketing agent at predetermined intervals (“Trust Certificates”). A residual interest tax-exempt security is also created by the Inverse Floater Trust, which is transferred to the fund, and is paid interest based on the remaining cash flows of the Inverse Floater Trust, after payment of interest on the other securities and various expenses of the Inverse Floater Trust. An Inverse Floater Trust may be collapsed without the consent of the fund due to certain termination events such as bankruptcy, default or other credit event.

The fund accounts for the transfer of bonds to the Inverse Floater Trust as secured borrowings, with the securities transferred remaining in the fund’s investments, and the Trust Certificates reflected as fund liabilities in the Statement of Assets and Liabilities.

The fund may invest in inverse floater securities on either a non-recourse or recourse basis. These securities are typically supported by a liquidity facility provided by a bank or other financial institution (the “Liquidity Provider”) that allows the holders of the Trust Certificates to tender their certificates in exchange for payment from the Liquidity Provider of par plus accrued interest on any business day prior to a termination event. When the fund invests in inverse floater securities on a non-recourse basis, the Liquidity Provider is required to make a payment under the liquidity facility due to a termination event to the holders of the Trust Certificates. When this occurs, the Liquidity Provider typically liquidates all or a portion of the municipal securities held in the Inverse Floater Trust. A liquidation shortfall occurs if the Trust Certificates exceed the proceeds of the sale of the bonds in the Inverse Floater Trust (“Liquidation Shortfall”). When a fund invests in inverse floater securities on a recourse basis, the fund typically enters into a reimbursement agreement with the Liquidity Provider where the fund is required to repay the Liquidity Provider the amount of any Liquidation Shortfall. As a result, a fund investing in a recourse inverse floater security bears the risk of loss with respect to any Liquidation Shortfall.

The average amount of borrowings outstanding under the inverse floater structure during the period ended November 30, 2025, was approximately \$123,787,466, with a related weighted average annualized interest rate of 3.22%.

At November 30, 2025, the cost of investments for federal income tax purposes was \$374,086,969; accordingly, accumulated net unrealized depreciation on investments was \$4,331,288, consisting of \$12,256,825 gross unrealized appreciation and \$16,588,113 gross unrealized depreciation.

# REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of BNY Mellon Strategic Municipal Bond Fund, Inc.

## *Opinion on the Financial Statements*

We have audited the accompanying statement of assets and liabilities of BNY Mellon Strategic Municipal Bond Fund, Inc. (the “Fund”), including the schedule of investments, as of November 30, 2025, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund at November 30, 2025, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

## *Basis for Opinion*

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of the Fund’s internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of November 30, 2025, by correspondence with the custodian, brokers and others; when replies were not received from brokers and others, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

*Ernst & Young LLP*

We have served as the auditor of one or more investment companies in the BNY Mellon Family of Funds since at least 1957, but we are unable to determine the specific year.

New York, New York  
January 22, 2026

## ADDITIONAL INFORMATION (Unaudited)

### **Dividend Reinvestment and Cash Purchase Plan**

Under the fund's Dividend Reinvestment (the "Plan"), a Common Stockholder who has fund shares registered in his or her name will have all dividends and distributions reinvested automatically by Computershare Trust Company, N.A., as Plan administrator (the "Administrator"), in additional shares of the fund at the lower of prevailing market price or net asset value (but not less than 95% of market value at the time of valuation) unless such Common Stockholder elects to receive cash as provided below. If market price is equal to or exceeds net asset value, shares will be issued at net asset value. If net asset value exceeds market price or if a cash dividend only is declared, the Administrator, as agent for the Plan participants, will buy fund shares in the open market. A Plan participant is not relieved of any income tax that may be payable on such dividends or distributions.

A Common Stockholder who owns fund shares registered in nominee name through his or her broker/dealer (i.e., in "street name") may not participate in the Plan, but may elect to have cash dividends and distributions reinvested by his or her broker/dealer in additional shares of the fund if such service is provided by the broker/dealer; otherwise such dividends and distributions will be treated like any other cash dividend.

A Common Stockholder who has fund shares registered in his or her name may elect to withdraw from the Plan at any time for a \$2.50 fee and thereby elect to receive cash in lieu of shares of the fund. Changes in elections must be in writing, sent to The Bank of New York Mellon, c/o Computershare Inc., P.O. Box 30170, College Station, TX 77842-3170, should include the Common Stockholder's name and address as they appear on the Administrator's records and will be effective only if received more than fifteen days prior to the record date for any distribution.

A Plan participant who has fund shares in his or her name has the option of making additional cash payments to the Administrator, semi-annually, in any amount from \$1,000 to \$10,000, for investment in the fund's shares in the open market on or about January 15 and July 15. Any voluntary cash payments received more than 30 days prior to these dates will be returned by the Administrator, and interest will not be paid on any uninvested cash payments. A participant may withdraw a voluntary cash payment by written notice, if the notice is received by the Administrator not less than 48 hours before the payment is to be invested. A Common Stockholder who owns fund shares registered in street name should consult his or her broker/dealer to determine whether an additional cash purchase option is available through his or her broker/dealer.

The Administrator maintains all Common Stockholder accounts in the Plan and furnishes written confirmations of all transactions in the account. Shares in the account of each Plan participant will be held by the Administrator in non-certificated form in the name of the participant, and each such participant's proxy will include those shares purchased pursuant to the Plan. The fund pays the Administrator's fee for reinvestment of dividends and distributions. Plan participants pay a pro rata share of brokerage commissions incurred with respect to the Administrator's open market purchases in connection with the reinvestment of dividends or distributions.

## ADDITIONAL INFORMATION (Unaudited) (continued)

The fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to notice of the change sent to Plan participants at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by the Administrator on at least 90 days' written notice to Plan participants.

### **Level Distribution Policy**

The fund's dividend policy is to distribute substantially all of its net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more consistent yield to the current trading price of shares of Common Stock of the fund, the fund may at times pay out more or less than the entire amount of net investment income earned in any particular month and may at times in any month pay out any accumulated but undistributed income in addition to net investment income earned in that month. As a result, the dividends paid by the fund for any particular month may be more or less than the amount of net investment income earned by the fund during such month.

### **Investment Objective and Principal Investment Strategies**

Investment Objective. The fund's investment objective is to maximize current income exempt from federal income tax to the extent consistent with the preservation of capital. The fund's investment objective is fundamental and may not be changed without the affirmative vote of the holders of a majority (as defined in the Act) of the fund's outstanding voting securities. No assurance can be given that the fund will achieve its investment objective.

Fundamental Investment Policy. The fund has adopted a fundamental investment policy to invest, under normal market conditions, at least 80% of its net assets in municipal obligations. The income from which is exempt from federal personal income tax. As with the fund's investment objective, this investment policy may not be changed without the affirmative vote of the holders of a majority (as defined in the Act) of the fund's outstanding voting securities.

Municipal obligations are debt obligations issued by states, territories and possessions of the United States and the District of Columbia and their political subdivisions, agencies and instrumentalities, or multi-state agencies or authorities, that provide income exempt from federal income tax. Municipal obligations are classified as general obligation bonds, revenue bonds and notes. General obligation bonds are secured by the issuer's pledge of its faith, credit and taxing power for the payment of principal and interest. Revenue bonds are payable from the revenue derived from a particular facility or class of facilities or, in some cases, from the proceeds of a special excise or other specific revenue source, but not from the general taxing power. Notes are short term instruments which are obligations of the issuing municipalities or agencies and are sold in anticipation of a bond sale, collection of taxes or receipt of other revenues. The fund may purchase floating and variable rate obligations, municipal derivatives, such as custodial receipt programs created by financial intermediaries, tender option bonds and participations in municipal obligations.

Non-Fundamental Investment Policies. Under normal market conditions, the fund invests at least 50% of its net assets in municipal obligations considered investment grade by Moody's, S&P or Fitch or the unrated equivalent as determined by the Sub-Adviser in the case of bonds,

and in the two highest rating categories of Moody's, S&P or Fitch or the unrated equivalent as determined by the Sub-Adviser in the case of short term obligations having or deemed to have maturities of less than one year. Investment grade bonds are those rated in the four highest rating categories of Moody's, S&P or Fitch. The fund may invest the remainder of its assets in municipal obligations considered below investment grade by Moody's, S&P and Fitch, including those rated no lower than C, but it currently is the intention of the fund to invest such remainder of its assets primarily in bonds rated no lower than Ba by Moody's and BB by S&P and Fitch. Bonds rated below investment grade and short term obligations rated below the two highest rating categories of Moody's, S&P and Fitch will be purchased only if the Sub-Adviser determines that the purchase is consistent with the fund's investment objective. The fund's ability to invest in lower rated municipal obligations may be limited as a condition to S&P's "AAA" rating of the fund's VMTP Shares.

From time to time, the fund may invest more than 25% of the value of its total assets in industrial development bonds which, although issued by industrial development authorities, may be backed only by the assets and revenues of the non-governmental users. Interest on certain municipal obligations (including certain industrial development bonds) which are specific private activity bonds, while exempt from federal income tax, is a preference item for the purpose of the federal alternative minimum tax. If the fund, as a regulated investment company, receives such interest, a proportionate share of any exempt-interest dividend paid by the fund will be treated as a preference item to an investor. The fund may invest without limitation in such municipal obligations if the Sub-Adviser determines that their purchase is consistent with the fund's investment objective.

Under normal market conditions, the weighted average maturity of the fund's portfolio is expected to exceed ten years.

Taxable Investments and other Investment Techniques. The fund may employ, among others, the investment techniques described below. Use of certain of these techniques may give rise to taxable income.

*Temporary Investments.* From time to time, on a temporary basis other than for temporary defensive purposes (but not to exceed 20% of the fund's net assets) or for temporary defensive purposes without limitation, the fund may invest in taxable short term investments ("Taxable Investments") consisting of: notes of issuers having, at the time of purchase, a quality rating within the two highest grades of Moody's, S&P or Fitch; obligations of the U.S. Government, its agencies or instrumentalities; commercial paper rated at least P-2 by Moody's or at least A-2 by S&P or Fitch; certificates of deposit of U.S. domestic banks, including foreign branches of domestic banks, with assets of \$1 billion or more; bankers' acceptances; time deposits; and repurchase agreements in respect of any of the foregoing. Dividends paid by the fund that are attributable to interest earned from Taxable Investments will be taxable to investors. Under normal market conditions, the fund anticipates that not more than 5% of its total assets will be invested in any of the foregoing categories of Taxable Investments.

*When-Issued Securities.* New issues of municipal obligations usually are offered on a when-issued basis, which means that delivery and payment for such municipal obligations normally take place within 35 days after the date of the commitment to purchase. The payment

obligation and the interest rate that will be received on the municipal obligations are fixed at the time the buyer enters into the commitment. The fund will make commitments to purchase such municipal obligations only with the intention of actually acquiring the securities, but the fund may sell these securities before the settlement date if it is deemed advisable, although any gain realized on such sale would be taxable. The fund will not accrue income with respect to a when-issued security before its stated delivery date. No additional when-issued commitments will be made if more than 20% of the fund's net assets would be so committed.

*Stand-By Commitments.* The fund may acquire "stand-by commitments" with respect to municipal obligations held in its portfolio. Under a stand-by commitment the fund obligates a broker, dealer or bank to repurchase, at the fund's option, specified securities at a specified price and, in this respect, stand-by commitments are comparable to put options. The exercise of a stand-by commitment, therefore, is subject to the ability of the seller to make payment on demand. The fund will acquire stand-by commitments solely to facilitate portfolio liquidity and does not intend to exercise its rights thereunder for trading purposes. The fund anticipates that stand-by commitments will be available from brokers, dealers and banks without the payment of any direct or indirect consideration. The fund may pay for stand-by commitments if such action is deemed necessary, thus increasing to a degree the cost of the underlying municipal obligation and similarly decreasing such security's yield to investors.

*Inverse Floating Rate Securities.* The fund may invest in residual interest municipal obligations whose interest rates bear an inverse relationship to the interest rate on another security or the value of an index ("inverse floaters"). An investment in inverse floaters may involve greater risk than an investment in a fixed-rate bond. Because changes in the interest rate on the other security or index inversely affect the residual interest paid on the inverse floater, the value of an inverse floater is generally more volatile than that of a fixed-rate bond. Inverse floaters have interest rate adjustment formulas which generally reduce or, in the extreme, eliminate the interest paid to the fund when short term interest rates rise, and increase the interest paid to the fund when short term interest rates fall. Inverse floaters have varying degrees of liquidity, and the market for these securities is relatively volatile. These securities tend to underperform the market for fixed-rate bonds in a rising interest rate environment, but tend to outperform the market for fixed-rate bonds when interest rates decline. Shifts in long term interest rates may, however, alter this tendency. Although volatile, inverse floaters typically offer the potential for yields exceeding the yields available on fixed-rate bonds with comparable credit quality, coupon, call provisions and maturity. These securities usually permit the investor to convert the floating-rate to a fixed- rate (normally adjusted downward), and this optional conversion feature may provide a partial hedge against rising rates if exercised at an opportune time.

Use of Leverage. The fund utilizes leverage to seek to enhance the yield and net asset value of its Common Stock. These objectives cannot be achieved in all interest rate environments. To leverage, the fund issued VMTP Shares and issues floating rate certificate securities, which pay dividends or interest at prevailing short-term interest rates, and invests the proceeds in long-term municipal bonds. The interest earned on these investments is paid to Common Stockholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share net asset value of the fund's Common Stock. In order for either of these forms of leverage to benefit Common Stockholders, the yield curve must be positively sloped: that is,

short-term interest rates must be lower than long-term interest rates. At the same time, a period of generally declining interest rates will benefit Common Stockholders. When either of these conditions change along with other factors that may have an effect on VMTP Shares dividends or floating rate certificate securities, then the risk of leveraging will begin to outweigh the benefits.

## **Principal Risk Factors**

The fund is a diversified, closed-end management investment company designed primarily as a long-term investment and not as a short-term trading vehicle. The fund is not intended to be a complete investment program and, due to the uncertainty inherent in all investments, there can be no assurance that the fund will achieve its investment objective. Different risks may be more significant at different times depending on market conditions.

*Municipal Obligations Risk.* Municipal obligations are subject to interest rate risk, credit, liquidity, valuation, market and political risks. The amount of public information available about municipal obligations is generally less than that for corporate equities or bonds. Special factors, such as legislative and regulatory changes, executive orders, vote initiatives, and state and local economic and business developments, may adversely affect the yield and/or value of the fund's investments in municipal obligations. Other factors include the general conditions of the municipal obligations market, the size of the particular offering, the maturity of the obligation and the rating of the issue. The municipal obligations market can be susceptible to increases in volatility and decreases in liquidity. Liquidity can decline unpredictably in response to overall economic conditions or credit tightening. Increases in volatility and decreases in liquidity may be caused by a rise in interest rates (or the expectation of a rise in interest rates). During periods of reduced market liquidity, the fund may not be able to readily sell municipal obligations at prices at or near their perceived value. Changes in economic, business or political conditions relating to a particular municipal project, municipality, or state, territory or possession of the United States in which the fund invests may have an impact on the fund's net asset value per share of Common Stock. Any credit impairment could adversely impact the value of municipal bonds, which could negatively impact the performance of the fund. In addition, income from municipal obligations held by the fund could be declared taxable because of, among other things, unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of an issuer or other obligated party. Loss of tax-exempt status for municipal obligations held by the fund may cause interest received and distributed to Common Stockholders by the fund to be taxable and may result in a significant decline in the values of such municipal obligations.

In addition, the fund may invest up to 50% of its net assets in below investment grade municipal obligations. Below investment grade municipal obligations (commonly referred to as "high yield" or "junk" bonds) involve substantial risk of loss and are considered predominantly speculative with respect to the issuer's or obligor's ability to pay interest and repay principal and are susceptible to default or decline in market value due to adverse economic and business developments. The market values for high yield municipal obligations tend to be very volatile, and those bonds are less liquid than investment grade municipal obligations.

## ADDITIONAL INFORMATION (Unaudited) (continued)

Because there is no established retail secondary market for many of these municipal obligations, it may be anticipated that such obligations could be sold only to a limited number of dealers or institutional investors. To the extent a secondary trading market for these obligations does exist, it generally is not as liquid as the secondary market for higher-rated municipal obligations. The lack of a liquid secondary market may have an adverse impact on market price and yield and the fund's ability to dispose of particular issues in response to a specific economic event such as a deterioration in the creditworthiness of the issuer. The lack of a liquid secondary market for certain municipal obligations also may make it more difficult for the fund to obtain accurate market quotations for purposes of valuing the fund's portfolio and calculating its net asset value. In such cases, the Sub-Adviser's judgment may play a greater role in valuation because less reliable, objective data may be available.

*Call Risk.* Some municipal obligations give the issuer the option to "call," or prepay, the securities before their maturity date. If interest rates fall, it is possible that issuers of callable bonds with high interest coupons will call their bonds. If a call were exercised by the issuer of a bond held by the fund during a period of declining interest rates, the fund is likely to replace such called bond with a lower yielding bond. If that were to happen, it could decrease the fund's distributions and possibly could affect the market price of the Common Stock. Similar risks exist when the fund invests the proceeds from matured, traded or prepaid bonds at market interest rates that are below the fund's current earnings rate. A decline in income could affect the market price or overall return of the Common Stock. During periods of market illiquidity or rising interest rates, prices of "callable" issues are subject to increased price fluctuation.

*Credit Risk.* Credit risk is the risk that one or more municipal bonds in the fund's portfolio will decline in price, or the issuer or obligor thereof will fail to pay interest or repay principal when due, because the issuer or obligor experiences a decline or there is a perception of a decline in its financial status. Below investment grade municipal obligations involve greater credit risk than investment grade municipal obligations. In addition, sizable investments by the fund in revenue obligations could involve an increased risk to the fund should any of the related facilities experience financial difficulties.

*Interest Rate Risk.* Prices of municipal obligations and other fixed-income securities tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect fixed-income securities and, accordingly, will cause the value of the fund's investments in these securities to decline. A wide variety of market factors can cause interest rates to rise, including central bank monetary policy, rising inflation and changes in general economic conditions. It is difficult to predict the pace at which central banks or monetary authorities may increase (or decrease) interest rates or the timing, frequency, or magnitude of such changes. During periods of very low interest rates, which occur from time to time due to market forces or actions of governments and/or their central banks, including the Board of Governors of the Federal Reserve System in the U.S., the fund may be subject to a greater risk of principal decline from rising interest rates. When interest rates fall, the values of already-issued fixed-income securities generally rise. However, when interest rates fall, the fund's investments in new securities may be at lower yields and may reduce the fund's income. Changing interest rates may have unpredictable effects on markets, may result in heightened market volatility and may detract from fund performance. The magnitude of these fluctuations in the market price of fixed-

income securities is generally greater for securities with longer effective maturities and durations because such instruments do not mature, reset interest rates or become callable for longer periods of time. The change in the value of a fixed-income security or portfolio can be approximated by multiplying its duration by a change in interest rates. For example, the market price of a fixed-income security with a duration of three years would be expected to decline 3% if interest rates rose 1%. Conversely, the market price of the same security would be expected to increase 3% if interest rates fell 1%.

*Liquidity Risk.* When there is little or no active trading market for specific types of securities, it can become more difficult to sell the securities in a timely manner at or near their perceived value. In such a market, the value of such securities and the fund's net asset value per share of Common Stock may fall dramatically. Other market developments can adversely affect fixed-income securities markets. Regulations and business practices, for example, have led some financial intermediaries to curtail their capacity to engage in trading (i.e., "market making") activities for certain fixed-income securities, which could have the potential to decrease liquidity and increase volatility in the fixed-income securities markets. The secondary market for certain municipal obligations (such as those issued by smaller municipalities) tends to be less well developed or liquid than many other securities markets, which may adversely affect the fund's ability to buy or sell such municipal obligations at attractive prices. Investments that are illiquid or that trade in lower volumes may be more difficult to value. The market for below investment grade securities may be less liquid and therefore these securities may be harder to value, buy or sell at an acceptable price, especially during times of market volatility or decline. Liquidity can decline unpredictably in response to overall economic conditions or credit tightening. Increases in volatility and decreases in liquidity may be caused by a rise in interest rates (or the expectation of a rise in interest rates).

*When-Issued Securities Risk.* When purchasing a security on a forward commitment basis, the fund assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations. Because the fund is not required to pay for these securities until the delivery date, these risks are in addition to the risks associated with the fund's other investments. Securities purchased on a forward commitment, when-issued or delayed-delivery basis are subject to changes in value (generally appreciating when interest rates decline and depreciating when interest rates rise) based upon the public's perception of the creditworthiness of the issuer and changes, real or anticipated, in the level of interest rates. Securities purchased on a forward commitment, when-issued or delayed-delivery basis may expose the fund to risks because they may experience such fluctuations prior to their actual delivery.

*Leverage Risk.* Leverage is a speculative technique and there are special risks and costs associated with leveraging. There is no assurance that leveraging strategy will be successful. Leverage involves risks and special considerations for Common Stockholders, including: the likelihood of greater volatility of net asset value, market price and dividend rate of Common Stock than a comparable portfolio without leverage; the risk that fluctuations in the interest or dividend rates that the fund must pay on any leverage will reduce the return to Common Stockholders; the effect of leverage in a declining market, which is likely to cause a greater decline in the net asset value of Common Stock than if the fund were not leveraged, which may result in a greater decline in the market price of Common Stock.

## ADDITIONAL INFORMATION (Unaudited) (continued)

*Market Risk.* The value of the securities in which the fund invests may be affected by political, regulatory, economic and social developments, and developments that impact specific economic sectors, industries or segments of the market. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect the fund. Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies worldwide. Local, regional or global events such as war, military conflicts, acts of terrorism, natural disasters, the spread of infectious illness or other public health issues, recessions, elevated levels of government debt, changes in trade regulation or economic sanctions, internal unrest and discord, or other events could have a significant impact on the fund and its investments.

*Risk of Market Price Discount from Net Asset Value.* Shares of closed-end funds frequently trade at a market price that is below their net asset value. This is commonly referred to as “trading at a discount.” This characteristic of shares of closed-end funds is a risk separate and distinct from the risk that the fund’s net asset value may decrease. Whether Common Stockholders will realize a gain or loss upon the sale of Common Stock will depend upon whether the market value of Common Stock at the time of sale is above or below the price the Common Stockholder paid, taking into account transaction costs, for Common Stock and is not directly dependent upon the fund’s net asset value. Because the market value of Common Stock will be determined by factors such as the relative demand for and supply of Common Stock in the market, general market conditions and other factors beyond the control of the fund, the fund cannot predict whether its Common Stock will trade at, below or above net asset value, or below or above the initial offering price for such Common Stock.

*Management Risk.* The fund is subject to management risk because the Adviser actively manages the fund. The Sub-Adviser and the fund’s portfolio managers will apply investment techniques and risk analyses in making investment decisions for the fund, but there can be no guarantee that these will produce the desired results.

*Cybersecurity Risk.* The fund and its service providers are susceptible to operational and information security risks due to cybersecurity incidents. In general, cybersecurity incidents can result from deliberate attacks or unintentional events. Cybersecurity attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cybersecurity attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Geopolitical tensions may, from time to time, increase the scale and sophistication of deliberate cyberattacks. Cybersecurity incidents affecting the Adviser, the Sub-Adviser, Transfer Agent or Custodian or other service providers, as well as financial intermediaries, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by impediments to trading for the fund’s portfolio; the inability of Common

Stockholders to transact business with the fund; interference with the fund's ability to calculate its net asset value; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cybersecurity incidents affecting issuers of securities in which the fund invests, counterparties with which the fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. There are inherent limitations in any cybersecurity risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

Given the risks described above, an investment in Common Stock may not be appropriate for all investors. You should carefully consider your ability to assume these risks before making an investment in the fund.

### **Recent Changes**

During the period ended November 30, 2025, there were: (i) no material changes in the fund's investment objectives or policies that have not been approved by shareholders, (ii) no changes in the fund's charter or by-laws that would delay or prevent a change of control of the fund that have not been approved by shareholders, (iii) no material changes to the principal risk factors associated with investment in the fund, and (iv) no change in the persons primarily responsible for the day-to-day management of the fund's portfolio.

## IMPORTANT TAX INFORMATION (Unaudited)

In accordance with federal tax law, the fund hereby reports all the dividends paid from net investment income during the fiscal year ended November 30, 2025 as “exempt-interest dividends” (not subject to regular federal income tax). Where required by federal tax law rules, shareholders will receive notification of their portion of the fund’s taxable ordinary dividends (if any), capital gains distributions (if any) and tax-exempt dividends paid for the 2025 calendar year on Form 1099-DIV, which will be mailed in early 2026.

## PROXY RESULTS (Unaudited)

Common Stockholders and holders of VMTP Shares voted together as a single class presented at a special shareholders' meeting held on November 20, 2025 for the election of additional Board members whose terms commenced on January 1, 2026.

	Shares	
	For	Withheld
To elect two Class I Directors: <sup>†</sup>		
Andrew J. Donohue	25,002,442	7,691,062
Francine J. Bovich	24,972,947	7,720,558
To elect one Class II Director: <sup>††</sup>		
Bradley J. Skapyak	24,869,421	7,824,084
To elect one Class III Director: <sup>†††</sup>		
Roslyn M. Watson	24,975,403	7,718,102

<sup>†</sup> Each Board Member's initial term expires in 2027.

<sup>††</sup> The Board Member's initial term expires in 2028.

<sup>†††</sup> The Board Member's initial term expires in 2026.

## INFORMATION ABOUT THE RENEWAL OF THE FUND'S INVESTMENT ADVISORY, ADMINISTRATION AND SUB-INVESTMENT ADVISORY AGREEMENTS (Unaudited)

At a meeting of the fund's Board of Directors (the "Board") held on October 28-29, 2025, the Board considered the renewal of the fund's Investment Advisory Agreement and Administration Agreement, pursuant to which the Adviser provides the fund with investment advisory and administrative services, respectively, and the Sub-Investment Advisory Agreement (together with the Investment Advisory Agreement and Administration Agreement, the "Agreements"), pursuant to which Insight North America LLC (the "Sub-Adviser") provides day-to-day management of the fund's investments. The Board members, none of whom are "interested persons" (as defined in the Investment Company Act of 1940, as amended) of the fund, were assisted in their review by independent legal counsel and met with counsel in executive session separate from representatives of the Adviser and the Sub-Adviser. In considering the renewal of the Agreements, the Board considered several factors that it believed to be relevant, including those discussed below. The Board did not identify any one factor as dispositive, and each Board member may have attributed different weights to the factors considered.

Analysis of Nature, Extent, and Quality of Services Provided to the Fund. The Board considered information provided to it at the meeting and in previous presentations from representatives of the Adviser regarding the nature, extent, and quality of the services provided to funds in the BNY fund complex, including the fund. Representatives of the Adviser noted that the fund is a closed-end fund without daily inflows and outflows of capital and provided the fund's asset size.

The Board also considered research support available to, and portfolio management capabilities of, the fund's portfolio management personnel and that the Adviser also provides oversight of day-to-day fund operations, including fund accounting and administration and assistance in meeting legal and regulatory requirements. The Board also considered the Adviser's extensive administrative, accounting and compliance infrastructures, as well as the Adviser's supervisory activities over the Sub-Adviser.

Comparative Analysis of the Fund's Performance and Management Fee and Expense Ratio. The Board reviewed reports prepared by Broadridge Financial Solutions, Inc. ("Broadridge"), an independent provider of investment company data based on classifications provided by Thomson Reuters Lipper ("Lipper"), which included information comparing (1) the fund's performance with the performance of a group of leveraged closed-end general and insured municipal debt funds selected by Broadridge as comparable to the fund (the "Performance Group") and with a broader group of funds consisting of all leveraged closed-end general and insured municipal debt funds (the "Performance Universe"), all for various periods ended September 30, 2025, and (2) the fund's actual and contractual management fees and total expenses with those of the same group of funds in the Performance Group (the "Expense Group") and with a broader group of funds consisting of leveraged closed-end general and insured municipal debt funds, excluding outliers (the "Expense Universe"), the information for which was derived in part from fund financial statements available to Broadridge as of the date of its analysis. The Adviser previously had furnished the Board with a description of the methodology Broadridge used to select the Performance Group and Performance Universe and the Expense Group and Expense Universe.

*Performance Comparisons.* Representatives of the Adviser stated that the usefulness of performance comparisons may be affected by a number of factors, including different investment limitations and policies and the extent and manner in which leverage is employed that may be applicable to the fund and comparison funds and the end date selected. The Board also considered the fund's performance in light of overall financial market conditions. The Board discussed with representatives of the Adviser and the Sub-Adviser the results of the comparisons and considered that the fund's total return performance, on a net asset value basis, was below the Performance Group and the Performance Universe medians for all periods, except for the two-year period when the fund's total return performance was above the Performance Group and the Performance Universe medians. The Board also considered that the fund's total return performance, on a market price basis, was above the Performance Group median for all periods, except for the three- and ten-year periods when the fund's total return performance was below the Performance Group median, and was below the Performance Universe median for all periods, except for the two-year period when the fund's total return performance was above the Performance Universe median. The Board also considered that the fund's yield performance, on a net asset value basis, was above the Performance Group median for five of the ten one-year periods ended September 30th, and was above the Performance Universe median for six of the ten one-year periods ended September 30th, and, on a market price basis, the fund's yield performance was above the Performance Group median for five of the ten one-year periods ended September 30th, and was above the Performance Universe median for six of the ten one-year periods ended September 30th. The Board discussed with representatives of the Adviser and the Sub-Adviser the reasons for the fund's underperformance versus the Performance Group and Performance Universe during certain periods under review and noted that the portfolio managers are very experienced with an impressive long-term track record and continued to apply a consistent investment strategy. The Board also considered the relative proximity of the fund's performance to the Performance Group and/or Performance Universe medians during certain periods when the fund's performance was below median. The Adviser also provided a comparison of the fund's calendar year total returns (on a net asset value basis) to the returns of the fund's benchmark index, and it was noted that the fund's returns were above the returns of the index in seven of the ten calendar years shown.

*Management Fee and Expense Ratio Comparisons.* The Board reviewed and considered the contractual management fee rate (i.e., the aggregate of the investment advisory and administration fees pursuant to the Investment Advisory Agreement and Administration Agreement) payable by the fund to the Adviser in light of the nature, extent and quality of the management services and the sub-advisory services provided by the Adviser and the Sub-Adviser, respectively. In addition, the Board reviewed and considered the actual management fee rate paid by the fund over the fund's last fiscal year, which included reductions for a fee waiver arrangement in place that reduced the management fee paid to the Adviser. The Board also reviewed the range of actual and contractual management fees and total expenses as a percentage of average net assets of the Expense Group and Expense Universe funds and discussed the results of the comparisons.

The Board considered that, based on common assets alone, the fund's contractual management fee was higher than the Expense Group median contractual management fee, the fund's actual

INFORMATION ABOUT THE RENEWAL OF THE FUND'S INVESTMENT ADVISORY,  
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management fee was lower than the Expense Group median and lower than the Expense Universe median actual management fee, and the fund's total expenses were lower than the Expense Group median and lower than the Expense Universe median total expenses, and that, based on common assets and leveraged assets together, the fund's contractual management fee was higher than the Expense Group median contractual management fee, the fund's actual management fee was higher than the Expense Group median and higher than the Expense Universe median actual management fee, and the fund's total expenses were higher than the Expense Group median and higher than the Expense Universe median total expenses.

Representatives of the Adviser stated that the Adviser has agreed, until May 31, 2026, to waive receipt of a portion of its investment advisory fee from the fund in the amount of .10% of the value of the fund's average weekly net assets (including net assets representing Variable Rate MuniFund Term Preferred Shares outstanding).

Representatives of the Adviser reviewed with the Board the management or investment advisory fees paid by funds advised by the Adviser that are in the same Lipper category as the fund (the "Similar Funds"), and explained the nature of the Similar Funds. They discussed differences in fees paid and the relationship of the fees paid in light of any differences in the services provided and other relevant factors, noting that the fund is a closed-end fund. The Board considered the relevance of the fee information provided for the Similar Funds to evaluate the appropriateness of the fund's management fee. Representatives of the Adviser noted that there were no separate accounts and/or other types of client portfolios advised by the Adviser or the Sub-Adviser that are considered to have similar investment strategies and policies as the fund.

The Board considered the fee payable to the Sub-Adviser in relation to the fee payable to the Adviser by the fund and the respective services provided by the Sub-Adviser and the Adviser. The Board also took into consideration that the Sub-Adviser's fee is paid by the Adviser, out of its fee from the fund, and not the fund.

Analysis of Profitability and Economies of Scale. Representatives of the Adviser reviewed the expenses allocated and profit received by the Adviser and its affiliates and the resulting profitability percentage for managing the fund and the aggregate profitability percentage to the Adviser and its affiliates for managing the funds in the BNY fund complex, and the method used to determine the expenses and profit. The Board concluded that the profitability results were not excessive, given the services rendered and service levels provided by the Adviser and its affiliates. The Board also considered the fee waiver arrangement and its effect on the profitability of the Adviser and its affiliates. The Board also had been provided with information prepared by an independent consulting firm regarding the Adviser's approach to allocating costs to, and determining the profitability of, individual funds and the entire BNY fund complex. The consulting firm also had analyzed where any economies of scale might emerge in connection with the management of a fund.

The Board considered, on the advice of its counsel, the profitability analysis (1) as part of its evaluation of whether the fees under the Agreements, considered in relation to the mix of services provided by the Adviser and the Sub-Adviser, including the nature, extent and quality of such services, supported the renewal of the Agreements and (2) in light of the relevant

circumstances for the fund and the extent to which economies of scale would be realized if the fund grows and whether fee levels reflect these economies of scale for the benefit of fund shareholders. Representatives of the Adviser stated that, because the fund is a closed-end fund without daily inflows and outflows of capital, there were not significant economies of scale at this time to be realized by the Adviser in managing the fund's assets. Representatives of the Adviser also stated that, as a result of shared and allocated costs among funds in the BNY fund complex, the extent of economies of scale could depend substantially on the level of assets in the complex as a whole, so that increases and decreases in complex-wide assets can affect potential economies of scale in a manner that is disproportionate to, or even in the opposite direction from, changes in the fund's asset level. The Board also considered potential benefits to the Adviser and the Sub-Adviser from acting as investment adviser and sub-investment adviser, respectively, and took into consideration that there were no soft dollar arrangements in effect for trading the fund's investments.

At the conclusion of these discussions, the Board agreed that it had been furnished with sufficient information to make an informed business decision with respect to the renewal of the Agreements. Based on the discussions and considerations as described above, the Board concluded and determined as follows.

- The Board concluded that the nature, extent and quality of the services provided by the Adviser and the Sub-Adviser are satisfactory and appropriate.
- The Board was generally satisfied with the fund's relative performance and the fund's performance as compared to the fund's performance benchmark index, in light of the considerations described above.
- The Board concluded that the fees paid to the Adviser and the Sub-Adviser continued to be appropriate under the circumstances and in light of the factors and the totality of the services provided as discussed above.
- The Board determined that the economies of scale which may accrue to the Adviser and its affiliates in connection with the management of the fund had been adequately considered by the Adviser in connection with the fee rate charged to the fund pursuant to the Investment Advisory Agreement and Administration Agreement and that, to the extent in the future it were determined that material economies of scale had not been shared with the fund, the Board would seek to have those economies of scale shared with the fund.

In evaluating the Agreements, the Board considered these conclusions and determinations and also relied on its previous knowledge, gained through meetings and other interactions with the Adviser and its affiliates and the Sub-Adviser, of the Adviser and the Sub-Adviser and the services provided to the fund by the Adviser and the Sub-Adviser. The Board also relied on information received on a routine and regular basis throughout the year relating to the operations of the fund and the investment management and other services provided under the Agreements, including information on the investment performance of the fund in comparison to similar funds and benchmark performance indices; general market outlook as applicable to the fund; and compliance reports. In addition, the Board's consideration of the contractual fee

INFORMATION ABOUT THE RENEWAL OF THE FUND'S INVESTMENT ADVISORY,  
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(continued)

arrangements for the fund had the benefit of a number of years of reviews of the Agreements for the fund, or substantially similar agreements for other BNY funds that the Board oversees, during which lengthy discussions took place between the Board and representatives of the Adviser. Certain aspects of the arrangements may receive greater scrutiny in some years than in others, and the Board's conclusions may be based, in part, on its consideration of the fund's arrangements, or substantially similar arrangements for other BNY funds that the Board oversees, in prior years. The Board determined to renew the Agreements.

## BOARD MEMBER INFORMATION (Unaudited)

*Independent Board Members (as of January 1, 2026)*

### **Joseph S. DiMartino (82)** **Chairman of the Board (1995)**

Current term expires in 2027.

*Principal Occupation During Past 5 Years:*

- Director or Trustee of funds in the BNY Mellon Family of Funds and certain other entities (1995-Present)

*Other Public Company Board Memberships During Past 5 Years:*

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (1997-May 2023)

*No. of Portfolios for which Board Member Serves: 68*

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### **Francine Bovich (73)** **Board Member (2026)**

Current term expires in 2027.

*Principal Occupation During Past 5 Years:*

- The Bradley Trust, private trust funds, *Trustee* (2011-Present)

*No. of Portfolios for which Board Member Serves: 68*

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### **Andrew J. Donohue (74)** **Board Member (2026)**

Current term expires in 2027.

*Principal Occupation During Past 5 Years:*

- Attorney, Solo Law Practice (2019-Present)
- Shearman & Sterling LLP, a law firm, *Of Counsel* (2017-2019)
- Chief of Staff to the Chair of the SEC (2015-2017)

*No. of Portfolios for which Board Member Serves: 44*

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### **Joan Gulley (78)** **Board Member (2017)**

Current term expires in 2026.

*Principal Occupation During Past 5 Years:*

- Nantucket Atheneum, public library, *Chair* (June 2018-June 2021) and *Director* (2015-June 2021)
- Orchard Island Club, gold and beach club, *Governor* (2016-Present) and *President* (February 2023-Present)

*No. of Portfolios for which Board Member Serves: 38*

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BOARD MEMBER INFORMATION (Unaudited) (continued)

**Alan H. Howard (66)**  
**Board Member (2018)**

Current term expires in 2028.

*Principal Occupation During Past 5 Years:*

- Heathcote Advisors LLC, a financial advisory services firm, *Managing Partner* (2008-Present)
- Dynatech/MPX Holdings LLC, a global supplier and service provider of military aircraft parts, *President* (2012-May 2019); and *Board Member* of its two operating subsidiaries, Dynatech International LLC and Military Parts Exchange LLC (2012-December 2019), including *Chief Executive Officer* of an operating subsidiary, Dynatech International LLC (2013-May 2019)
- Rossoff & Co., an independent investment banking firm, *Senior Advisor* (2013-June 2021)

*Other Public Company Board Memberships During Past 5 Years:*

- Movado Group Inc., a public company that designs, sources, markets and distributes watches, *Director* (1997-Present)
- Diamond Offshore Drilling, Inc., a public company that provides contract drilling services, *Director* (March 2020-April 2021)
- Siddhi Acquisition Corp., a public company that focuses on effecting a merger, amalgamation, acquisition, share purchase, reorganization or similar business with businesses, *Director* (August 2024-Present)

*No. of Portfolios for which Board Member Serves: 44*

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**Robin A. Melvin (62)**  
**Board Member (1995)**

Current term expires in 2028.

*Principal Occupation During Past 5 Years:*

- Mentor Illinois, a non-profit organization dedicated to increasing the quantity and quality of mentoring services in Illinois, *Co-Chair* (2014-March 2020); *Board Member* (2013-March 2020)

*Other Public Company Board Memberships During Past 5 Years:*

- HPS Corporate Lending Fund, a closed-end management investment company regulated as a business development company, *Trustee* (August 2021-Present)
- HPS Corporate Capital Solutions Fund, a closed-end management investment company regulated as a business development company, *Trustee* (December 2023-Present)

*No. of Portfolios for which Board Member Serves: 68*

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**Bradley J. Skapyak (66)**  
**Board Member (2026)**

Current term expires in 2028.

*Principal Occupation During Past 5 Years:*

- Chief Operating Officer and Director of The Dreyfus Corporation (2009-2019)
- Chief Executive Officer and Director of MBSC Securities Corporation (2016-2019)
- Chairman and Director of Dreyfus Transfer, Inc. (2011-2019)
- Senior Vice President of The Bank of New York Mellon (2007-2019)

*No. of Portfolios for which Board Member Serves: 24*

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**Burton N. Wallack (71)**  
**Board Member (2006)**

Current term expires in 2026.

*Principal Occupation During Past 5 Years:*

- Wallack Management Company, a real estate management company, *President and Co-owner* (1987-Present)

*Other Public Company Board Memberships During Past 5 Years:*

- Mount Sinai Hospital Urology, *Board Member* (2017-Present)

*No. of Portfolios for which Board Member Serves: 24*

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**Roslyn M. Watson (75)**  
**Board Member (2026)**

Current term expires in 2026.

*Principal Occupation During Past 5 Years:*

- Watson Ventures, Inc., a real estate investment company, *Principal* (1993-Present)

*No. of Portfolios for which Board Member Serves: 44*

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BOARD MEMBER INFORMATION (Unaudited) (continued)

**Benaree Pratt Wiley (79)**  
**Board Member (1998)**

Current term expires in 2027.

*Principal Occupation During Past 5 Years:*

- The Wiley Group, a firm specializing in strategy and business development, *Principal* (2005-Present)

*Other Public Company Board Memberships During Past 5 Years:*

- CBIZ, Inc., a public company providing professional business services, products and solutions, *Director* (2008-Present)
- Blue Cross-Blue Shield of Massachusetts, *Director* (2004-December 2020)

*No. of Portfolios for which Board Member Serves: 44*

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**Gordon J. Davis (84)**  
**Advisory Board Member (2021)**

*Principal Occupation During Past 5 Years:*

- Venable LLP, a law firm, *Partner* (2012-Present)

*Other Public Company Board Memberships During Past 5 Years:*

- BNY Mellon Family of Funds (53 funds), *Board Member* (1995-August 2021)

*No. of Portfolios for which Advisory Board Member Serves: 44*

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*The address of the Board Members and Officers is c/o BNY Mellon Investment Adviser, Inc., 240 Greenwich Street, New York, New York 10286.*

## OFFICERS OF THE FUND (Unaudited)

### **DAVID DIPETRILLO, President since January 2021.**

Vice President and Director of the Adviser since February 2021; Head of North America Distribution, BNY Investments since February 2023; and Head of North America Product, BNY Investments from January 2018 to February 2023. He is an officer of 44 investment companies (comprised of 88 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 47 years old and has been an employee of BNY since 2005.

### **JAMES WINDELS, Treasurer since November 2001.**

Director of the Adviser since February 2023; Vice President of the Adviser since September 2020; and Director—BNY Fund Administration. He is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 67 years old and has been an employee of the Adviser since April 1985.

### **PETER M. SULLIVAN, Chief Legal Officer since July 2021 and Vice President and Assistant Secretary since March 2019.**

Chief Legal Officer of the Adviser and Associate General Counsel of BNY since July 2021; Senior Managing Counsel of BNY from December 2020 to July 2021; and Managing Counsel of BNY from March 2009 to December 2020. He is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 57 years old and has been an employee of BNY since April 2004.

### **SARAH S. KELLEHER, Secretary since April 2024 and Vice President since April 2014.**

Vice President of BNY Mellon ETF Investment Adviser, LLC since February 2020; Senior Managing Counsel of BNY since September 2021; and Managing Counsel of BNY from December 2017 to September 2021. She is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 50 years old and has been an employee of BNY since March 2013.

### **DEIRDRE CUNNANE, Vice President and Assistant Secretary since March 2019.**

Managing Counsel of BNY since December 2021; and Counsel of BNY from August 2018 to December 2021. She is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 35 years old and had been an employee of BNY since August 2013.

### **LISA M. KING, Vice President and Assistant Secretary since March 2024.**

Counsel of BNY since June 2023; and Regulatory Administration Group Manager at BNY Asset Servicing from February 2016 to June 2023. She is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 57 years old and has been an employee of BNY since February 2016.

### **JEFF PRUSNOFSKY, Vice President and Assistant Secretary since August 2005.**

Senior Managing Counsel of BNY. He is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 60 years old and has been an employee of the Adviser since October 1990.

OFFICERS OF THE FUND (Unaudited) (continued)

**AMANDA QUINN, Vice President and Assistant Secretary since March 2020.**

Managing Counsel of BNY since March 2024 and Counsel of BNY from June 2019 to February 2024; She is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. She is 40 years old and has been an employee of BNY since June 2012.

**DANIEL GOLDSTEIN, Vice President since March 2022.**

Head of Product Development of North America Distribution, BNY Investments since January 2018; Executive Vice President of North America Product, BNY Investments since April 2023; and Senior Vice President, Development & Oversight of North America Product, BNY Investments from 2010 to March 2023. He is an officer of 44 investment companies (comprised of 85 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 56 years old and has been an employee of BNY Mellon Securities Corporation since 1991.

**JOSEPH MARTELLA, Vice President since March 2022.**

Vice President of the Adviser since December 2022; Head of Product Management of North America Distribution, BNY Investments since January 2018; Executive Vice President of North America Product, BNY Investments since April 2023; and Senior Vice President of North America Product, BNY Investments from 2010 to March 2023. He is an officer of 44 investment companies (comprised of 85 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 49 years old and has been an employee of BNY Mellon Securities Corporation since 1999.

**ROBERTO G. MAZZEO, Assistant Treasurer since June 2024.**

Financial Reporting Manager–BNY Fund Administration. He is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 45 years old and has been an employee of the Adviser since October 2006.

**GAVIN C. REILLY, Assistant Treasurer since December 2005.**

Tax Manager–BNY Fund Administration. He is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 57 years old and has been an employee of the Adviser since April 1991.

**ROBERT SALVIOLA, Assistant Treasurer since July 2007.**

Senior Accounting Manager–BNY Fund Administration. He is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 58 years old and has been an employee of the Adviser since June 1989.

**ROBERT SVAGNA, Assistant Treasurer since December 2002.**

Senior Accounting Manager–BNY Fund Administration. He is an officer of 45 investment companies (comprised of 97 portfolios) managed by the Adviser or an affiliate of the Adviser. He is 58 years old and has been an employee of the Adviser since November 1990.

**JOSEPH W. CONNOLLY, Chief  
Compliance Officer since October  
2004.**

Chief Compliance Officer of the BNY Mellon Family of Funds and BNY Mellon Funds Trust since 2004; and Chief Compliance Officer of the Adviser from 2004 until June 2021. He is the Chief Compliance Officer of 43 investment companies (comprised of 79 portfolios) managed by the Adviser. He is 68 years old.

## OFFICERS AND DIRECTORS

### BNY Mellon Strategic Municipal Bond Fund, Inc.

240 Greenwich Street  
New York, NY 10286

#### Directors

Joseph S. DiMartino, Chairman  
Francine J. Bovich  
Andrew J. Donohue  
Joan Gulley  
Alan H. Howard  
Robin A. Melvin<sup>†</sup>  
Bradley J. Skapyak  
Burton N. Wallace  
Roslyn M. Watson  
Benaree Pratt Wiley<sup>†</sup>  
Gordon Davis<sup>††</sup>

<sup>†</sup> Elected by VMTP Shares Holders

<sup>††</sup> Advisory Board Member

#### Officers

President  
David DiPetrillo  
Chief Legal Officer  
Peter M. Sullivan  
Vice President and Secretary  
Sarah S. Kelleher  
Vice Presidents and Assistant Secretaries  
Deirdre Cunnane  
Amanda Quinn  
Lisa M. King  
Jeff Prusnofsky  
Treasurer  
James Windels  
Vice Presidents  
Daniel Goldstein  
Joseph Martella

#### Officers (continued)

Assistant Treasurers  
Roberto G. Mazzeo  
Gavin C. Reilly  
Robert Salviolo  
Robert Svagna  
Chief Compliance Officer  
Joseph W. Connolly

#### Portfolio Managers

Daniel A. Rabasco  
Jeffrey B. Burger

#### Adviser

BNY Mellon Investment Adviser, Inc.

#### Sub-Adviser

Insight North America LLC

#### Custodian

The Bank of New York Mellon

#### Counsel

Stradley Ronon Stevens & Young, LLP

#### Transfer Agent, Dividend Disbursing Agent and Registrar

Computershare Inc. (Common Stock)  
The Bank of New York Mellon (VMTP Shares)

#### Stock Exchange Listing

NYSE Symbol: DSM

#### Initial SEC Effective Date

11/22/89

*The fund's net asset value per share appears in the following publications: Barron's, Closed-End Bond Funds section under the heading "Municipal Bond Funds" every Monday; The Wall Street Journal, Mutual Funds section under the heading "Closed-End Bond Funds" every Monday.*

*Notice is hereby given in accordance with Section 23(c) of the Act that the fund may purchase shares of its beneficial interest in the open market when it can do so at prices below the then current net asset value per share.*

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# For More Information

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## **BNY Mellon Strategic Municipal Bond Fund, Inc.**

240 Greenwich Street  
New York, NY 10286

### **Adviser**

BNY Mellon Investment Adviser, Inc.  
240 Greenwich Street  
New York, NY 10286

### **Sub-Adviser**

Insight North America LLC  
200 Park Avenue, 7th Floor  
New York, NY 10166

### **Custodian**

The Bank of New York Mellon  
240 Greenwich Street  
New York, NY 10286

### **Transfer Agent & Registrar (Common Stock)**

Computershare Inc.  
480 Washington Boulevard  
Jersey City, NJ 07310

### **Dividend Disbursing Agent (Common Stock)**

Computershare Inc.  
P.O. Box 30170  
College Station, TX 77842

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**Ticker Symbol:** DSM

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For more information about the fund, visit <https://bny.com/closed-end-funds>. Here you will find the fund's most recently available quarterly fact sheets and other information about the fund. The information posted on the fund's website is subject to change without notice.

The fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. The fund's Forms N-PORT are available on the SEC's website at [www.sec.gov](http://www.sec.gov).

A description of the policies and procedures that the fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the fund voted these proxies for the most recent 12-month period ended June 30, 2025 is available at [www.bny.com/investments](http://www.bny.com/investments) and on the SEC's website at [www.sec.gov](http://www.sec.gov) and without charge, upon request, by calling 1-800-373-9387.