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Product name: BNY U.S High Yield Active UCITS ETF

Legal entity identifier: 213800HFT2I1C4U9WP37

SUMMARY

This Sub-Fund promotes environmental or social characteristics but does not have as its objective sustainable investment.

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

Exclusion criteria are used to achieve this minimum standard.

The Sub-Fund promotes environmental and/or social characteristics through the exclusion of issuers that derive a certain percentage of revenue, as determined by JP Morgan (JPM), from tobacco production, thermal coal mining, thermal coal power generation and oil sands extraction, controversial weapons production and civilian and non-civilian weapons manufacturing and distribution.

Issuers will also be excluded where, in the opinion of JPM, the issuers are deemed to have violated the minimum standards of business practices as defined by the principles of the UN Global Compact.

Furthermore, issuers with the lowest ESG score as determined by JPM will be excluded, except if the bond is a green bond as labelled by the Climate Bonds Initiative.

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

Information on:

(i) the investment strategy used to meet the environmental or social characteristics promoted by the Sub-Fund and the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance;

(ii) the proportion, if any, of the investments of the Sub-Fund in sustainable investments including, where relevant, the proportion of investments with direct exposure in investee entities and all other types of exposure to those entities;

(iii) a description of how the environmental or social characteristics promoted by the Sub-Fund and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the Sub-Fund are monitored throughout the lifecycle of the Sub-Fund and the related internal or external control mechanisms and the methodologies used to measure how the social or environmental characteristics promoted by the Sub-Fund are met;

(iv) a description of the data sources used to attain each of the environmental or social characteristics promoted by the Sub-Fund, the measures taken to ensure data quality, how data are processed and the proportion of data that are estimated ; and

(v) any limitations to the methodologies and data used and how such limitations do not affect how the environmental or social characteristics promoted by the Sub-Fund are met;

is provided in the accompanying Full SFDR Website Disclosure document.

The Full SFDR Website Disclosure also provides a description of the due diligence carried out on the underlying assets of the Sub-Fund including the internal and external controls on that due diligence.

Engagement is not part of the environmental or social investment strategy and there are no management procedures applicable to sustainability-related controversies in investee companies.

No index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by the Sub-Fund.

NO SUSTAINABLE INVESTMENT OBJECTIVE

This Sub-Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.

ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE SUB-FUND

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

Exclusion criteria are used to achieve this minimum standard.

The Sub-Fund promotes environmental and/or social characteristics through the exclusion of issuers that derive a certain percentage of revenue, as determined by JP Morgan (JPM), from tobacco production, thermal coal mining, thermal coal power generation and oil sands extraction, controversial weapons production and civilian and non-civilian weapons manufacturing and distribution.

Issuers will also be excluded where, in the opinion of JPM, the issuers are deemed to have violated the minimum standards of business practices as defined by the principles of the UN Global Compact.

Furthermore, issuers with the lowest ESG score as determined by JPM will be excluded, except if the bond is a green bond as labelled by the Climate Bonds Initiative.

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

INVESTMENT STRATEGY

The Investment Manager uses a systematic investment process to select high yield securities for the Sub-Fund's portfolio.

Proprietary quantitative models are used to evaluate relative risk and return characteristics of each bond in the Benchmark and construct the portfolio. The application of the Investment Manager's proprietary models drives the security selection process by gathering information from financial markets (e.g., bond prices, spreads, credit ratings, sector) and corporate balance sheets (e.g., profit margins, leverage) to identify Debt and Debt-Related Securities within the investment universe and determining whether to overweight or underweight such Debt and Debt-Related Securities relative to the Benchmark.

Portfolio holdings may become sell candidates if the Investment Manager believes that securities with better risk and return characteristics become available, or if the holding no longer meets the Investment Manager's strategic or portfolio construction objectives.

The Investment Manager considers that a good governance assessment should cover a broad range of factors in relation to how companies undertake their activities. Therefore, as JPM's good governance methodology excludes both corporate issuers with the worst controversy score using information from third party data providers as well as corporates with the lowest overall ESG rating using JPM's proprietary rating system, the Investment Manager is comfortable that this provides a comprehensive good governance assessment. External data used as part of the good governance assessment may be incomplete, inaccurate or unavailable, and as a consequence, there is a risk that JPM may not be able to accurately or completely assess the corporates in which the Sub-Fund invests.

The Investment Manager considers that a good governance assessment should cover a broad range of factors in relation to how issuers undertake their activities. The Investment Manager carries out initial and ongoing due diligence on JPM to ensure that the Investment Manager fully understands the Investment Exclusions and JPM's good governance methodology (the "**JPM ESG Criteria**") and that it aligns with the Investment Manager's own good governance assessment philosophy. As JPM's good governance methodology excludes both corporate issuers with the worst controversy score using information from external data providers as well as corporates with the lowest overall ESG rating using JPM's proprietary rating system, the Investment Manager is comfortable that this provides a comprehensive good governance assessment. External data used as part of the good governance assessment may be incomplete, inaccurate or unavailable, and as a consequence, there is a risk that JPM may not be able to accurately or completely assess the corporates in which the Sub-Fund invests.

The binding elements of the investment strategy used to select investments to attain each of the environmental or social characteristics promoted by the Sub-Fund are:

The Sub-Fund shall exclude corporate issuers, as determined by JPM's ESG Criteria and taking into account information from third party data providers, that:

- derive any revenue from the production of tobacco;
- derive any revenue from the production of controversial weapons;
- derive any revenue from the extraction of thermal coal/generates electricity from thermal coal unless:
  - the issue purchased is a green bond as labelled by the Climate Bonds Initiative
- derive any revenue from the extraction of oil sands;
- derive 10% or more of revenues from the manufacture and/or sale of non-civilian weapons;
- derive any revenue from the manufacture and/or sale of civilian weapons;
- are deemed to be involved in severe ESG controversies (including significant violations of UN Global Compact Principles);

- have the lowest ESG score as determined by JPM, except if the bond is a green bond as labelled by the Climate Bonds Initiative.

PROPORTION OF INVESTMENTS

A minimum of 80% of Net Asset Value will be used to meet the environmental or social characteristics promoted by the Sub-Fund in accordance with the binding elements of the investment strategy.

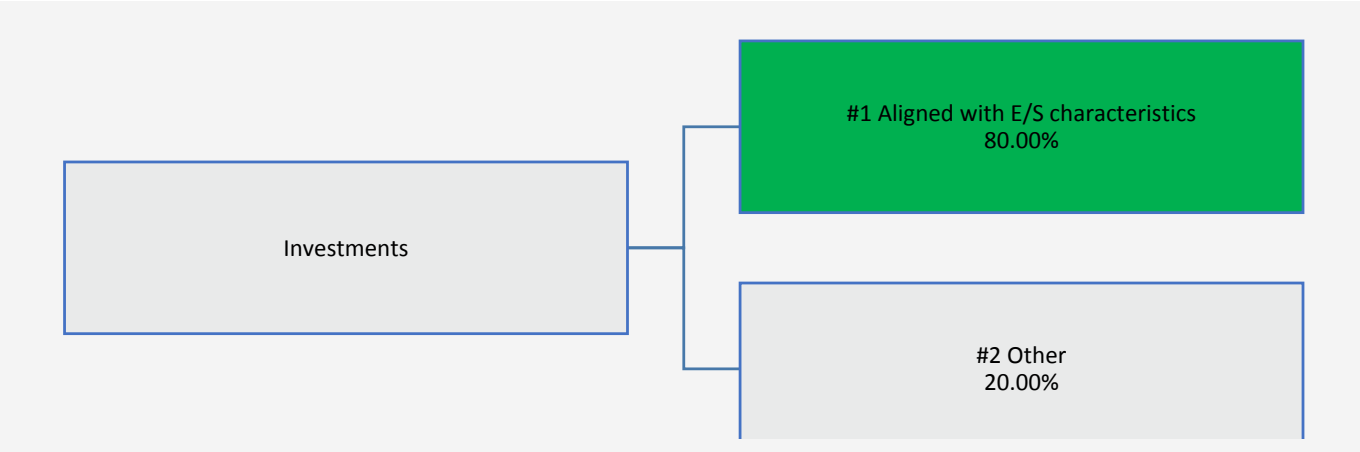
The asset allocation diagram below is intended to illustrate the typical asset allocation of this Sub-Fund. However, the asset allocation of the Sub-Fund is not fixed and may vary from the asset allocation illustrated in the diagram. The Sub-Fund promotes environmental or social characteristics based on an exclusionary approach. As a consequence, the figure in #1 below represents that the portfolio has excluded certain types of investments as further detailed in 'What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?' above and therefore the portfolio is aligned with the environmental or social characteristics promoted by the Sub-Fund solely through the absence of those investments.

Investments included under "#2 Other" are:

- Liquid and near-cash assets, generally held for liquidity management purposes, that do not pass the exclusions as set out under the binding elements section of the Annex II.
- Collective investment schemes, generally held for liquidity purposes or for investment purposes on a temporary basis, that do not broadly pass the exclusions as set out under the binding elements section of the Annex II.
- Cash held at custody account(s) for liquidity management purposes.
- Derivatives (FDI), generally held for hedging purposes or investment purposes, that do not broadly pass the exclusions as set out under the binding elements section of the Annex II.

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

Derivatives (FDI) can be used to attain the environmental or social characteristics promoted by the Sub-Fund by providing indirect exposure that broadly passes the exclusions criteria as set out under the binding elements section of Annex II. For the avoidance of doubt, FDI are not used to gain exposure to Sustainable Investments.



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

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

MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS

Monitoring and oversight of the Sub-Fund's performance versus the environmental and social characteristics promoted and the sustainability indicators used to measure the attainment of the environmental or social characteristics is undertaken throughout the life cycle of the Sub-Fund by way of a regular review in an internal governance forum which uses a combination of internal and external data to assess positioning.

The internal control mechanisms used are:

- Pre-trade warnings which appear in the trade system prior to trading to inform fund managers of a prohibition or limit.
- Post-trade warnings will also be reviewed by the monitoring team and escalated as appropriate.

There are no specific external control mechanisms.

METHODOLOGIES

In order to assess, measure and monitor the environmental and/or social characteristics promoted by the Sub-Fund, the Sub-Fund will employ the following methodologies.:

(1) Exclusion Policy: Exclusion lists, based upon JPM's ESG Criteria set out in the Sub-Funds Investment policy. The exclusion lists are used to create pre-trade warnings which appear in the trade system prior to trading to inform fund managers of a prohibition. Post-trade warnings will also be reviewed by the monitoring team and escalated as appropriate.

DATA SOURCES AND PROCESSING

(i) Data Sources: The data sources used to attain the environmental or social characteristics promoted by the Sub-Fund include (but are not limited to) data from (i) external data providers including third party ESG data providers, universities, agencies, initiatives, and NGOs, (ii) relevant issuers including any publicly available information in relation to such issuers

(ii) Measures taken to ensure data quality: In seeking to ensure the quality of data from external ESG data providers, the Investment Manager obtains such data from recognised and prominent data providers within the market based on its judgment and in accordance with its internal vendor selection process. Beyond this, the data is used broadly without further validation, except in exceptional cases as determined by the Investment Manager, where the Investment Manager may engage the data vendors or internal analysts to validate or revise the figures in question.

(iii) How data is processed: Where external data is directly used, it will be received periodically via data feeds, and parsed into trade systems without cleansing.

(iv) The proportion of data that are estimated: Data estimation may be applied by external data providers. In this case, the proportion of estimated data varies depending on the datapoint. Data from third party vendors is in some cases limited, for example for the principal adverse impact indicators. Where there remain key data gaps, the Investment Manager may at times seek to estimate missing values according to its own proprietary methodology.

LIMITATIONS TO METHODOLOGIES AND DATA

Please see below the following limitations to the methodologies and data sources referred to in Article 24, point (g) and (h):

Methodologies and data sources underpinning the evaluation of a security or issuers' ESG profile are primarily owned by third party ESG Providers and may be incomplete, inaccurate, inconsistent, or unavailable. As a result, there is a risk that the Investment Manager may incorrectly assess a security or issuer in the context of the environmental and social characteristics being promoted.

The limitations noted above do not affect how the environmental or social characteristics promoted by the Sub-Fund are met because:

- The Investment Manager has undertaken an internal review of the methodologies used by the third-party data provider against the Environmental and Social characteristics promoted and in its opinion the data reviewed is of sufficient quality for use as one part of the Investment Manager's holistic investment management process.
- The Investment Manager has tested the data quality of inputs and in its opinion they are sufficiently robust for portfolio construction.

DUE DILIGENCE

The following due diligence is carried out on the underlying assets of the Sub-Fund:

(1) Good governance - The selection of investments is subject to due diligence processes to evaluate the system by which companies undertake their activities including their management structures, employee relations, remuneration of staff and tax compliance.

(2) ESG Exclusions- Investment in any security should meet a minimum ESG standard defined by the exclusionary criteria to be eligible for consideration for investment.

The Sub-Fund follows a systematic approach and no additional ESG due diligence is conducted beyond good governance testing and exclusionary screening. The suitability and relevance of the exclusionary criteria deployed is reviewed from time-to-time by the portfolio management and responsible investment team. Insight Responsible Investment Group has overall oversight of ensuring relevant ESG due diligence processes are in place for each fund. Internal audit and compliance functions also perform testing from time-to time. No specific external controls exist on the diligence.

ENGAGEMENT POLICIES

Engagement is not a part of the environmental or social investment strategy of the Sub-Fund.

DESIGNATED REFERENCE BENCHMARK

No reference has been designated as a reference benchmark to meet the environmental or social characteristics promoted by the Sub-Fund.