BNY Mellon Fund Managers Limited

Strategic report, Directors' report and financial statements

Registered number 01998251

31 December 2025

BNY Mellon Fund Managers Limited

Contents

Board of Directors and other information	1
Strategic report	2 - 9
Directors' report	10 - 11
Statement of directors' responsibilities	12
Independent Auditor's report to the members of BNY Mellon Fund Managers Limited	13 - 16
Statement of profit and loss and other comprehensive income	17
Balance sheet	18
Statement of changes in equity	19
Notes to the Financial Statements	20 - 32

BNY Mellon Fund Managers Limited

Board of Directors and other information

Directors
C A Judd (Chair and Independent Non-Executive Director)
M Saluzzi (Independent Non-Executive Director)
L A Silva
C J Stallard
S S Sumal

Secretary
BNY Mellon Secretaries (UK) Limited
160 Queen Victoria Street
London
EC4V 4LA

Independent Auditor
KPMG LLP
Chartered Accountants
15 Canada Square
London

Registered Office
BNY Mellon Centre
160 Queen Victoria Street
London
EC4V 4LA

Registered Number
01998251

BNY Mellon Fund Managers Limited

Strategic report

In accordance with Section 414A(1) of the Companies Act 2006, we have prepared the Strategic report, which includes a review of BNY Mellon Fund Managers Limited ("the Company") key performance indicators, a description of the principal risks and uncertainties facing the Company and business and future developments.

The ultimate parent company is The Bank of New York Mellon Corporation ("BNY" or "Group").

Business review

The Company has continued to operate profitably and there have been no significant changes in the Company's core operations during the year.

Financial key performance indicators

The Company's key financial and other performance indicators during the year were as follows:

	2025 £000	2024 £000	Change £000	Change %
Gross profit	58,486	59,837	(1,351)	(2)%
Administrative expenses	(56,144)	(57,321)	1,177	(2)%
Profit before taxation	2,311	2,619	(308)	(12)%
Net assets	14,309	12,579	1,730	14%
Year end assets under management	26,010,000	24,370,000	1,640,000	7%
Average assets under management	25,025,000	25,196,000	(171,000)	(1)%

The full year average of assets under management ("AUM") decreased by £171,000,000 in 2025, driven mainly by net outflows in BNY Mellon Real Return Fund, BNY Mellon (Schroder Solutions) Global Equity and BNY Mellon Global Absolute Return Fund.

Gross profit decreased by £1,351,000 (2%) during the year due to a decrease in management and administration fees received caused by lower average assets under management in 2025.

Administrative expenses decreased by £1,177,000 (2%) during the year as a result of lower distribution costs due to lower profit allocation to BNY Mellon Investment Management EMEA Limited ("IM EMEA"), lower transfer agency charges mainly driven by a decrease in volume of transactions and distributions and higher fund administration charges.

Net assets increased by £1,730,000 (14%) during the year primarily due to current year's profit.

Risk management

The Company is authorised and regulated by the Financial Conduct Authority ("FCA"). The Company is a collective portfolio management company for the purposes of the relevant prudential rules within the FCA Handbook. Capital and other financial returns are prepared and submitted to the regulator on a quarterly basis. As at 31 December 2025, surplus regulatory capital, as reflected within the Company's regulatory returns, amounted to £7,190,000 (2024: £5,510,000).

Governance and policies

Formal governance structures, policies and procedures, systems and controls have been established to ensure that the business operates within the risk framework and parameters determined by senior management. Suitable policies and procedures have been adopted by the Company in order to ensure an appropriate level of risk management oversight is directed to relevant business activities.

Governance of the Company is the ultimate responsibility of the Board of Directors. The Board is responsible for the ongoing success and development of the Company's business as well as setting the risk appetite for the Company as part of the risk framework.

Formal governance committees are in place to oversee the design, development and execution of the risk programme to ensure adequate and effective risk management oversight and business controls are in place. Each committee has clearly stated terms of reference and reporting lines. Significant issues arising from these committees may be reported up to the appropriate enterprise governance and/or operating committees.

The Company has an established Risk and Compliance Committee ("RCC") which generally meets on a monthly basis and is chaired by a senior manager of the Company. The RCC is attended by senior business representatives, certain directors of the Board and also representatives from Risk, Compliance, Legal, Finance and Internal Audit. The Committee receives a report from these control functions on current risk issues and activities, and escalates to the Board as appropriate.

Risk management process

The lines of business are responsible for actively identifying the risks associated with their key business processes, business changes or external threats, identifying and assessing the quality of controls in place to mitigate risk and assigning accountability for the effectiveness of those controls. This is done through the Risk Control Self Assessment Process ("RCSA").

The RCSA is the primary business risk and control identification and assessment process utilised by the Company and is designed to bring a consistent, systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes. The objective of this assessment process is to prevent or minimise:

- Operational errors or service delivery failures, especially those with impact on clients
- Financial losses
- Compliance breaches/ Regulatory breaches
- Reputational damage

RCSAs are an important component of the Company's Operational Risk Management Framework ("ORMF") and are complemented by other ORMF elements (e.g., Operational Risk Limits, Event Capture, etc.) to help manage and measure operational risk for the Company.

The Company utilises the Enterprise-wide platforms Risk Management Platform and ServiceNow to facilitate the above. These platforms are used to maintain risk and control self-assessments, Operational Risk Limits ("ORLs") and tracking of operational risk events. Risk Management works in partnership with the business to ensure that there is adequate understanding and assessment of, and accountability for, all risks that relate to the Company.

The Risk Appetite for the Group is set and owned by the BNY Board of Directors, giving the overall strategy and willingness to take on risk at a global level. The Company's risk appetite is commensurate with local business and regulatory requirements, within the guidance set by the Group and in coordination with the relevant business expertise.

Risk Management works in partnership with the business to ensure that there is adequate understanding and assessment of, and accountability for, all risks that relate to the Company.

Risks associated with the Company's operations are measured through production and assessment of ORLs and other analysis, the results of which are formally reported to the RCC on a monthly basis as part of the Risk Management Framework which has been adopted. This includes an analysis of the Company's financial resources against the applicable regulatory capital requirements and the liquidity management framework.

Principal risks and uncertainties

Credit risk

Credit risk covers default risk from counterparties where realisation of the value of the asset is dependent on counterparties' ability to perform. Assets subject to credit risk held by the Company are primarily comprised of deposits with external banks, Group undertakings and receivables from clients which are subject to oversight both within the Group and on a legal-entity specific basis by the central Finance function and by the senior management of the Company through reporting provided to the RCC and to the Board.

Market risk

Market risk is the risk of loss due to adverse changes in the financial markets. Market risk arises from foreign exchange ("FX") exposure in respect of revenue, expenses, deposits and interest rate exposure on cash balances. Foreign exchange balance sheet exposures are actively managed through a monthly spot sell-off process of non-sterling currency balances by Group Treasury.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events: including the potential for loss that arises from problems with operational processing, human error or omission, breaches in internal controls, fraud and unforeseen catastrophes. Operational Risk is managed and mitigated through application of the Group operational risk framework as described above.

Liquidity risk

Liquidity risk is the risk that a company, although balance sheet solvent, cannot maintain or generate sufficient cash resources to meet its payment obligations in full as they fall due, or can only do so at materially disadvantageous terms. The Company is subject to the Group Liquidity Policy. It is the responsibility of the Group firms to maintain liquid resources that are adequate in both amounts and quality. The Company's liquidity position is monitored by the central finance function and by the senior management of the Company through reporting provided to the RCC and to the Board.

Business risk

Business risk includes risk to a company arising from changes in its business or market environment, including the risk that the company may not be able to carry out its business plan and its desired strategy. Business and strategic risks, including emerging and external risks, and product performance are monitored in formal governance and management committees and by the Board, supported by appropriate management information supplied by supporting functions.

Compliance risk

Compliance risk covers the risk relating to violations, or non-conformance with laws, rules, regulations, prescribed practices or ethical standards which may, in turn, expose the Company and its officers to fines, payment of damages, the voiding of contracts and damaged reputation. The Company's compliance arrangements are inherently risk based. Although, and as noted under Operational risk, the Company measures and monitors broad operational risk areas of the business via the RCSA process, regulatory requirements are assessed via a separate Compliance Risk Assessment ("CRA") to identify and measure areas of regulatory risk. The CRA output determines the overall Annual Compliance Program which drives the annual Training and Compliance Testing Plans, focusing on those areas where the regulatory risk to the Company is deemed to pose a higher risk. Governance arrangements are in place to allow for the effective management of key regulatory risks with relevant management information and governance committees are expected to review to confirm that the risks continue to be mitigated effectively.

Conduct risk

Conduct risk is defined as the risk that detriment is caused to clients, the market, the Company or its employees because of inappropriate execution of our business activities or inappropriate behaviour by the Company or its employees. The Company is subject to the Group Code of Conduct and associated corporate policies governing the business conduct of the Company and individuals and/or entities that act on its behalf.

These policies set out clear expectations for the roles of senior management in setting the appropriate tone and includes examples of good and poor conduct. Staff acting on behalf of the Company received periodic training and briefings on conduct related matters and are required to complete an annual process to confirm adherence to the Code of Conduct. Conduct related management information is captured and provided to the RCC and the Board. Reviews of conduct related matters are included in the scope of Compliance Testing and/or Internal Audit assurance reviews.

Geopolitical and other macro-environmental risks

The Company is exposed to geopolitical risks including the global trade war, conflicts, terrorism and cyber-attacks.

The Group maintains controls, processes and policies that are designed to adhere to relevant sanctions, laws and regulations in countries in which the Group operates. The Group continues to monitor any subsequent developments associated with the conflicts while taking necessary actions where prompted.

Section 172 (1) Companies Act 2006 Statement

The directors of the Company are required under Section 172(1) of the Companies Act 2006 (the "Act") to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, the directors must consider certain factors in their decision making and then make a statement about how they have considered those factors, pursuant to Section 414 of the Act. The factors the directors must consider are:

a) the likely consequences of any decision for the long-term;
b) the interests of the Company's people;
c) the need to foster the Company's business relationships with suppliers, customers and others;
d) the impact of the Company's operations on the community and the environment;
e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
f) the need to act fairly as between members of the Company.

Taking into account the long-term impact of decisions

- **Strategy and Performance**: The day-to-day executive management of the Company's business and performance is overseen by the BNY Mellon Fund Managers Limited ("BNY MFM") Chief Executive Officer ("CEO"). The Board considers the immediate, mid-term and long-term risks and opportunities faced by the Company and their likely impact on the community and the environment. Examples of this include monitoring business at risk and other growth areas; sustainability; digitisation and expansion of services to clients; artificial intelligence ("AI"); ensuring a robust operational and technology resilience pathway; employee wellbeing; and maintaining strong regulatory engagement.

- **Corporate Governance**: Whilst the Company has not formally adopted a recognised corporate governance framework due to its size, the directors conduct the Company and make decisions in a way that promotes long-term success for the benefit of its members as a whole.

- **Risk**: The directors recognise the importance of risk management in the performance of the Company and the Board has reviewed the levels of risk acceptable to the Company. The Company continually reviews established risk types, and horizon scanning for new risks that could cause a material impact on its long-term success. The Risk Management Framework is further outlined on page 3.

- **Regulatory Change**: Regular updates in respect of compliance, risk management, financial crime and regulatory priorities are provided to the Board, incorporating regulatory changes or changes in market practice.

Employees' interests

Although the Company operates an outsourced model and has no employees, the Directors remain mindful of their duty under Section 172(1) to have regard to the interests of employees. In practice, this means actively considering the culture, wellbeing, inclusion, and development of the broader Group workforce that supports the Company's outsourced operations.

In 2024, the Group launched five principles: Be Client Obsessed, Spark Progress, Own It, Stay Curious, and Thrive Together, which underpin the three BNY strategic pillars: Be More for our Clients, Run our Company Better, and Power our Culture. These principles reinforce a high-performance culture and guide strategic initiatives in Thriving Together, Talent Management, and Culture, and acknowledge the importance of a committed and engaged workforce.

To promote inclusion and belonging, the Group encourages all employees to participate in Employee and Business Resource Groups focused on multigenerational communities, diverse abilities, multicultural and ethnic/racial diversity, LGBTQ+, veterans and military families, and women/gender. These groups provide forums for connection, advocacy, and professional growth that support the Company's outsourced operations and client outcomes.

The Group also offers programmes designed to provide flexibility and attract and retain diverse talent, including:

- Extended Remote Working Programme: allows colleagues to work remotely from home or certain other locations for up to 8 days annually.
- Global Parent Leave Policy: provides extended paid time off to all parents, regardless of gender.
- Global Caregiver Leave: provides 10 paid days for all colleagues to help manage planned and unplanned family care circumstances.

Through these principles, programmes, and resource groups, the Directors ensure the Company's decisions take into account the interests of the broader Group employees who support its outsourced operations, fostering a culture that enhances engagement, performance, and long-term value.

Suppliers, customers, stakeholders and other third parties

The directors fully recognise the importance of balancing the interests of the Company's internal and external stakeholders: clients, industry groups, regulators, vendors, its shareholder, as well as other subsidiaries within the broader Group. As such, the Board's composition, its standing within The Group, together with the supporting governance structure it has put in place, is designed to ensure that decisions of the Board are taken with consideration to the impact on the Company's stakeholder groups.

During 2025 the Board received updates, held discussions and addressed the following:

- The continued development of sustainable investment by means of updates on climate risks and opportunities through Task Force on Climate-related Financial Disclosures ("TCFD") reporting; progress in evaluating and navigating the UK Sustainable Disclosure Regime ("SDR") requirements such as the labelling regime and anti-greenwashing; the build out of differentiated investment capabilities including Environmental, Social and Governance, responsible investing solutions and the fixed income franchise; proposals to merge existing funds into the recently set up Charity Authorised Investment Fund ("CAIF") umbrella; all with the aim of preparing for, and responding to, client demands and market dynamics.

- Assessment of Value on all products, recognising economies of scale and variable overheads associated with maintaining investor relationships.

- In relation to the FCA Consumer Duty, practices have been embedded into the Company's operations to reflect the requirements. The Company is the manufacturer of a range of products that are ultimately sold to UK retail investors. Periodic updates continue to be presented to the Company's Consumer Council and the Board, and the Company's Annual Consumer Duty Report was approved by the Board in July 2025.

Impact on the Community and Environment

The Board acknowledges and is fully supportive of the need to proactively support environmental and social awareness, and invest in community impact programmes. BNY funded incentives encourage employee participation to give back and this is supported via a formalised community impact programme.

During the year, the Company's Responsible Investment Oversight Committee (the "RIOC"), which has delegated responsibility and reports to the Board, continued to be responsible for overseeing matters relating to responsible investment in respect of the funds (UCITS and non-UCITS), that are operated and managed by the Company. The purpose of the RIOC is to provide a governance forum through which oversight of the Responsible Investment framework, processes and controls may be exercised, and monitor adherence to regulatory requirements, relevant industry standards and enterprise-wide policies and positions. The arrangements in place to meet the following regulatory requirements are a key area of focus:

- TCFD: mandatory climate disclosures and governance for identifying and monitoring climate-related risks, as implemented in the FCA's ESG Sourcebook;

- SDR: assessment of suitability standards for funds seeking an SDR label and compliance with naming and marketing rules;

- Anti-greenwashing: compliance with ESG4 rules and guidance in the FCA Handbook.

Since the year end, the RIOC has been decommissioned and its responsibilities subsumed by the Investment Management Oversight Committee, which reports directly to the RCC, and delivers updates to the Board on a quarterly basis on a variety of matters including sustainability and responsible investment.

Where funds have sustainability characteristics, naming and marketing rules have been applied. In some instances, fund name changes were implemented and enhanced investment policy disclosures were published, detailing the investment manager's asset selection process, including exclusions, frameworks and metrics used. Funds are subject to ongoing monitoring and testing to ensure qualifying standards are met, and the business continues to work with investment managers to agree processes for the capture and reporting of sustainability data.

The business continues to assess the application of SDR, including the relevance of sustainability product labels as regulation for authorised funds evolves.

The Company's registered office has been awarded the Leadership in Energy and Environmental Design (LEED) Gold rating.

High Standards of Business Conduct

The Company is authorised and regulated by the FCA and operates within the FCA rules and the restrictions defined within its regulatory licence. The Company actively engages and maintains an open and transparent relationship with the FCA, and it keeps up to date with industry regulations and best practice.

All Senior Managers and Certification Regime ("SMCR") staff undertake ongoing SMCR training sessions, and the UK Certified and Senior Management Function population are provided with focused training on the SMCR and UK Conduct Rules. The Company operates within the BNY Conduct and Culture Framework, which is guided by the BNY Code of Conduct (the "Code"). This Code outlines key guidelines for ethical behaviour in everyday activities, emphasising the importance of doing what is right, regardless of the impact on specific transactions or short-term relationships.

The Company has a defined governance structure, supported by two independent non-executive Directors who contribute to various committees of the Board and escalate matters of regulatory interest to the Board. During the year, the Board was externally evaluated to assess the effectiveness of the Board collectively and its members individually, which was reported and discussed in detail at a subsequent Board meeting.

The FCA's Consumer Duty aims to set higher standards of consumer protection across financial services and requires firms to act to deliver good outcomes for retail customers. In accordance with regulatory expectations, the Company's Consumer Duty Champion role is held by an independent non-executive director, who is responsible for ensuring that the Consumer Duty is discussed at meetings and embedded within the business. During the year, the Consumer Duty Champion regularly met with management via the Consumer Council to obtain assurance on the actions taken by the Company to ensure that it delivers good outcomes for consumers. The Board received regular reports on the Consumer Duty outcomes and the measures of embeddedness within the Company and approved its Annual Consumer Duty Report in July 2025.

Acting fairly between members of the Company

The Company is a wholly owned subsidiary within the Group and is governed by its Board. It maintains an open and collaborative relationship with the Group, which ensures that the Company remains aligned with the strategic objectives and corporate values of its shareholder.

BNY Mellon Fund Managers Limited

Strategic report

Business and future developments

During 2026, the Company will continue to focus on funds under management growth through launching new sub-funds, or sub-fund modifications and servicing clients.

The Group as an organisation is going through a multi-year programme to implement a Platform Operating Model. The Platform Operating Model is a strategic system for organising work and driving priorities that unites cross-functional teams around client-focused platforms. It breaks down silos, simplifies governance, and aligns how the Group works with what it delivers to optimise value for clients and shareholders. The Platform Operating Model enables collaboration, agility, and empowerment by streamlining processes, scaling capabilities, and reorienting business areas into revenue-generating platforms, ultimately enhancing client journeys, operational efficiency and employee experience.

Approval

By order of the Board

Caylie Stallard
Caylie Stallard (Apr 22, 2026 10:03:51 GMT+1)

C J Stallard
Director

BNY Mellon Fund Managers Limited
BNY Mellon Centre
160 Queen Victoria Street
London
EC4V 4LA

22 April 2026

Registered number: 01998251

BNY Mellon Fund Managers Limited

Directors' report

The directors present their report and financial statements for the year ended 31 December 2025.

Principal activities

The Company is authorised and regulated by the FCA as a UCITS firm and Alternative Investment Fund Manager. The principal activities of the Company are the management and administration of unit trusts and Investment Companies with Variable Capital ("ICVC") which are either UK Undertakings for Collective Investment in Transferable Securities ("UK UCITS") or Alternative Investment Funds ("AIFs") including Non-UCITS Retail Schemes ("NURS") (as defined within the FCA Handbook), collectively ('the Funds'). In its role, the Company acts as the Manager / Authorised Corporate Director ("ACD") (as relevant) for such products.

The Manager / ACD of a fund is responsible for managing and administering the Funds in accordance with the requirements of the Financial Conduct Authority ("FCA") Handbook and associated UK legislation. In its capacity as Manager / ACD, the Company delegates investment and administration functions to third parties including affiliates in accordance with FCA Regulations. The Company has delegated the investment management of the Funds to the following companies: Insight North America LLC, Newton Investment Management Limited, Newton Investment Management North America LLC, Walter Scott & Partners Limited, Insight Investment Management (Global) Limited and Mellon Investments Corporation. Additionally, the administration of the Funds has been delegated to The Bank of New York Mellon (International) Limited. BNY Mellon Investment Management EMEA Limited is appointed as the Global Distributor of the Funds. The Board regularly reviews the service levels received from these companies to ensure continual delivery of quality to the customer.

All the Company's activities during the year were conducted within the scope of permissions granted to the Company by the FCA.

Results and dividends

The profit for the year after taxation amounted to £1,730,000 (2024: £1,964,000).

Interim dividends paid during the year amounted to £nil (2024: £4,000,000). The directors do not recommend a final dividend for the year ended 31 December 2025 (2024: £nil).

Future developments

See 'Business and future developments' section in Strategic report for details.

Political Donations

The Company made no political donations or incurred any political expenditure during the year (2024: nil).

Streamlined Energy and Carbon Reporting ("SECR")

In accordance with the Companies Regulations 2018, the Company is in scope as a large unquoted entity and therefore is required to report its energy use and associated greenhouse gas ("GHG") emissions resulting from energy use and employees' business travel.

In line with the HM Government Environmental Reporting Guidelines: Including SECR guidance, the Directors have elected to disclose the Company's energy and carbon emissions on a consolidated basis within the parent company's Directors' Report. Accordingly, the required disclosures are included in the Directors' report of BNY Mellon Investment Management EMEA Limited.

BNY Mellon Fund Managers Limited

Directors' report

Directors

The directors who served during the year and up to the date of the report were as follows:

	Appointed	Resigned
S E Cox	-	12 February 2026
C A Judd	-	-
M Saluzzi	-	-
L A Silva	-	-
C J Stallard	-	-
S S Sumal	-	-

Directors' indemnity provision

The articles of association of the Company provide that in certain circumstances the directors are entitled to be indemnified out of the assets of the Company against claims from third parties in respect of certain liabilities arising in connection with the performance of their functions, in accordance with the provisions of the Companies Act 2006. Indemnity provisions of this nature have been in place during the year but have not been utilised by the directors (2024: £nil).

Disclosure of information to Auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Post balance sheet events

There were no material post balance sheet events.

Independent Auditor

Pursuant to Section 487 of the Companies Act 2006, the Auditor will be deemed to be reappointed and will therefore continue in office.

By order of the Board

Caylie Stallard
Caylie Stallard (Apr 22, 2026 10:03:51 GMT+1)

C J Stallard
Director

BNY Mellon Fund Managers Limited
BNY Mellon Centre
160 Queen Victoria Street
London
EC4V 4LA

22 April 2026

Registered number: 01998251

BNY Mellon Fund Managers Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101").

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK accounting standards in conformity with the requirements of the Companies Act 2006:
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of BNY Mellon Fund Managers Limited

Opinion

We have audited the financial statements of BNY Mellon Fund Managers Limited ("the Company") for the year ended 31 December 2025 which comprise the Statement of profit and loss and other comprehensive income, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101: *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud; and
- reviewing minutes of the Board of Directors and Risk and Compliance Committee minutes and other committees.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of the revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post year end closing journals.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement related to compliance with laws and regulations (continued)

Firstly, the Company is subject to laws and regulations that directly affect the financial statements, including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and financial services legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's authority to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, data protection, anti-money laundering, market abuse regulations and financial services regulations including Client Assets, and specific areas of regulatory capital and liquidity and certain aspects of company legislation, recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliances with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of BNY Mellon Fund Managers Limited

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 12, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Roberts (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL

22 April 2026

BNY Mellon Fund Managers Limited

Statement of profit and loss and other comprehensive income

for the year ended 31 December 2025

	Note	2025	2024
		£000	**£000**
Revenue	2	141,585	147,421
Cost of sales		(83,099)	(87,584)
Gross profit		58,486	59,837
Administrative expenses	3	(56,144)	(57,320)
Operating profit		2,342	2,517
Interest receivable and similar income	6	66	238
Interest payable and similar charges	7	(97)	(136)
Profit before taxation		2,311	2,619
Taxation on profit	8	(581)	(655)
Total comprehensive income for the financial year		1,730	1,964

Notes 1 to 16 are integral to these financial statements.

All items dealt with in arriving at the Company's results for the financial year and prior year relate to continuing operations.

The Company had no items going through other comprehensive income during the year (2024: £nil).

BNY Mellon Fund Managers Limited

Balance sheet
at 31 December 2025

	Note	2025 £000	2024 £000
Current assets			
Debtors	9	89,665	61,091
Cash at bank and in hand	10	27,804	27,667
Other assets	11	94	521
		117,563	89,279
Creditors: amounts falling due within one year	12	(103,254)	(76,700)
Net current assets		14,309	12,579
Net assets		14,309	12,579
Capital and reserves			
Called up share capital	13	1,625	1,625
Share premium		6,000	6,000
Profit and loss account		6,684	4,954
Shareholders' funds		14,309	12,579

Notes 1 to 16 are integral to these financial statements.

These financial statements were approved by the Board of Directors and were signed on its behalf by:

Caylie Stallard
Caylie Stallard (Apr 22, 2026 10:03:51 GMT+1)

C J Stallard
Director

22 April 2026

Company registered number: 01998251

BNY Mellon Fund Managers Limited

Statement of changes in equity

31 December 2025

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	**£000**	**£000**	**£000**
Balance at 1 January 2024	1,625	6,000	6,990	14,615
Total comprehensive income for the financial year	-	-	1,964	1,964
Dividends	-	-	(4,000)	(4,000)
Balance at 31 December 2024	1,625	6,000	4,954	12,579
Balance at 1 January 2025	1,625	6,000	4,954	12,579
Total comprehensive income for the financial year	-	-	1,730	1,730
Balance at 31 December 2025	1,625	6,000	6,684	14,309

Notes 1 to 16 are integral to these financial statements.

Notes to the Financial Statements
for the year ended 31 December 2025

1 Accounting policies

1.1 Basis of preparation and statement of compliance with FRS 101

The Company is a private company limited by shares incorporated and domiciled in the UK and registered in England and Wales. The registered address is given on page 1.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The Company's ultimate parent undertaking, The Bank of New York Mellon Corporation, includes the Company and all its subsidiary undertakings in its consolidated financial statements. The consolidated financial statements of The Bank of New York Mellon Corporation are prepared in accordance with U.S. Generally Accepted Accounting Principles, which is considered equivalent to International Financial Reporting Standards (Adopted IFRSs). The Bank of New York Mellon Corporation's consolidated financial statements are available at https://www.bny.com/corporate/global/en/investor relations/overview.html. Accordingly, the Company is a *qualifying entity* for the purpose of FRS 101 disclosure exemptions.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted international accounting standards ("UK-adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Statement of Cash Flows and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of capital management; and
- Disclosure in respect of new but not yet effective IFRS's.

As the consolidated financial statements of The Bank of New York Mellon Corporation include equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1.16.

1 Accounting policies - continued

1.2 Changes in accounting policies

New and amended accounting standards and interpretations.

New standards, interpretations, and amendments effective on or after 1 January 2025

The standard below was effective from 1 January 2025 but does not have a material impact on the Company's financial statements

- Lack of Exchangeability (Amendments to IAS 21) – Effective 1 January 2025

1.3 Measurement convention

These financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as fair value through Statement of profit and loss.

1.4 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 2 to 9. In addition, the Directors' report on pages 10 to 11 includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives and its exposures to credit and liquidity risk.

The Company held cash of £27,804,000 at the year end. The directors perform an annual going concern review that considers, under a stress test scenario, the Company's ability to meet its financial obligations as they fall due, for a period of at least twelve months after the date that the financial statements are signed.

The directors have had regard to management's assessment to determine whether there are any material uncertainties arising that could cast significant doubt on the ability of the Company to continue as a going concern. No significant issues have been noted. In reaching this conclusion, management considered:

- Stress tests on severe but plausible scenarios in management and performance related fees charged on assets under management in addition to inflationary stress on expenses and maintaining these levels for at least a year from the date of signing the financial statements;
- Liquidity position based on current and projected cash resources. The Company's current cash/liquidity position is able to sustain its current operational costs for at least a year even with a significantly reduced revenue scenario and;
- The Company's operational resilience on existing processes and key stakeholders such as suppliers, employees, customers and existing IT systems and infrastructure.

Based on the above assessment of the Company's financial position, liquidity and capital, the directors have concluded that the Company has adequate resources to continue in operational existence for a period of at least twelve months after the date that the financial statements are signed. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1 Accounting policies - continued

1.5 Related party transactions

As the Company is a wholly owned indirect subsidiary of the ultimate parent company, The Bank of New York Mellon Corporation, it has taken advantage of the exemption contained in IAS 24 and has therefore not disclosed transactions with entities which are wholly owned subsidiaries of the Group. Balances with other members of the Group are disclosed within notes 3, 6, 7, 9, 10 and 12.

1.6 Foreign currency

The Company's functional and presentational currency is GBP. Transactions in foreign currencies are recorded in the functional currency at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the balance sheet date. Any resulting exchange differences are reported net in the Statement of profit and loss and other comprehensive income within interest receivable or payable as appropriate.

1.7 Revenue from contracts with customers

Revenue is based on terms specified in a contract with a customer, and excludes any amounts collected on behalf of third parties. Revenue is recognised when, or as, a performance obligation is satisfied by transferring control of a good or service to a customer.

A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied over time is recognised by measuring the Company’s progress in satisfying the performance obligation in a manner that reflects the transfer of goods and services to the customer.

The amount of revenue recognised reflects the consideration the Company expects to be entitled to in exchange for the promised goods and services. Taxes assessed by a governmental authority that are both imposed on, and concurrent with, a specific revenue producing transaction, are collected from a customer and are excluded from revenue.

Income and expenses are presented on a net basis only when permitted under IFRS 15, or for gains and losses arising from a group of similar transactions.

Rebates to customers (commissions) are recognised net within revenue as they are considered to be part of the transaction price.

1.8 Cost of sales

Cost of sales represent expenses which are directly attributable to the services provided by the Company and include amounts paid to affiliates for sub-investment advisory services. Payments made for ongoing services are recognised over the period the related service is provided.

1.9 Administrative expenses

Administrative expenses represent costs which do not directly contribute to revenue generation. Payments made for ongoing services are recognised over the period the related service is provided.

1.10 Interest receivable and interest payable

Interest receivable and payable is recognised in the Statement of profit and loss and other comprehensive income, using the effective interest rate method.

1 Accounting policies - continued

1.10 Interest receivable and interest payable - continued

Interest receivable and similar income includes interest receivable on funds invested and net foreign exchange gains.

Interest payable and similar charges includes interest payable and net foreign exchange losses that are recognised in the Statement of profit and loss and other comprehensive income (see note 1.6).

1.11 Dividends

A dividend is recognised as a liability when it becomes a legally binding liability for the Company, regardless of the date on which it is to be settled. In the case of a final dividend, this will be when it is declared by the directors through a written resolution. For interim dividends, these are recognised when payments are made. Interim dividends declared by the directors but unpaid at the balance sheet date are not considered a liability at the balance sheet date because the directors retain the discretion to cancel them until they are paid and are only disclosed in the notes to the financial statements.

1.12 Taxation

Taxation on profit or loss for the year comprises current tax. Tax is recognised in the Statement of profit and loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case the tax is recognised in the same statement as the related item appears.

Current tax is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable or receivable in respect of previous years.

1.13 Non-derivative financial instruments - classification and measurement & recognition

i) Classification of non-derivative financial instruments

IFRS 9 Financial Instruments: Recognition and Measurement outlines the requirements for the recognition and measurement of financial assets and liabilities. Financial instruments are initially recognised when an entity becomes a party to the contractual provisions of the instrument and are classified into various categories depending upon the type of instrument, which then determines the subsequent measurement of the instrument. IFRS 9 classification is based on two aspects: the business model within which the asset is held (the business model test) and the contractual cash flows of the asset in relation to the solely payments of principal and interest (“SPPI”) test.

IFRS 9 includes three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (“FVOCI”) and fair value through profit or loss (“FVTPL”). The Company determines the classification at initial recognition. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

1 Accounting policies - continued

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL.

A financial liability is initially recognised at fair value and in the case of loans and borrowings and trade and other creditors, net of directly attributable transaction costs. After initial recognition, financial liabilities are measured at amortised cost or FVTPL. Loans and borrowings and trade and other creditors are measured at amortised cost using the effective interest rate method.

Business model assessment

Certain financial assets, for example, deposits with central banks and financial institutions, always will be held for collection of contractual cash flows as the nature of the asset means that it cannot be sold. For other financial assets, the Company makes an assessment of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. Information that is considered includes:

- the stated policies and objectives for the portfolio;
- how the performance of the portfolio is evaluated and reported to management;
- how managers of the business are compensated; and
- the frequency and volume of historical and expected sales.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Solely payments of principal and interest (SPPI) criteria

'Principal' for these purposes is defined as the fair value of the financial asset at initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks (e.g., liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains contractual terms that would change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Company's claim to cash flows from specified assets; and
- features that modify consideration for the time value of money – e.g., periodic reset of interest rates.

1 Accounting policies - continued

Amortised Cost

The Company classifies financial assets at amortised cost where the business model is to hold these assets to collect contractual cash flows and the SPPI criteria has been met. Such financial assets include trade and other debtors. Loans and borrowings and trade and other creditors are measured at amortised cost using the effective interest rate method.

Fair value through profit or loss

A financial asset is mandatorily classified in this category if it is acquired principally for the purpose of selling in the short term, or if it fails the SPPI test. A financial asset can be classified in this category by choice if so, designated by management at inception. This designation is because the relevant assets and liabilities are managed together, and internal reporting is evaluated on a fair value basis. The Company defines fair value as the price, as at the measurement date, that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

Fair value through other comprehensive income

The Company has no financial instruments designated at fair value through other comprehensive income.

ii) Initial recognition of non-derivative financial instruments

All financial assets are initially recognised at fair value plus or minus directly attributable transaction costs on a trade date basis. The Company's financial liabilities are initially recognised at fair value and in the case of loans and borrowings and trade and other creditors, net of directly attributable transaction costs.

iii) Subsequent valuation of non-derivative financial instruments

Gains and losses arising from changes in the fair value of assets classified as fair value through profit or loss are included in the income statement in the period in which they arise. Gains and losses arising from changes in the fair value of debt instruments classified as fair value through comprehensive income are recognised as other comprehensive income until the financial asset is derecognised or impaired, at which time the cumulative gain or loss previously recognised as other comprehensive income is recognised in the income statement. Any premium or discount paid on the purchase of securities held at amortised cost is amortised through the income statement using the effective interest rate method.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at cost using the effective interest method.

1.14 Impairment of financial assets (including trade and other debtors)

Under IFRS 9, the Company generally recognises loss allowances at an amount equal to 12-month expected credit loss ("ECL") (Stage 1, the portion of ECL that results from default events that are possible within 12 months after the reporting date) unless there has been significant increase in credit risk since origination of the instrument, in which case ECLs are recognised on a lifetime loss basis (Stage 2). Exposures that are in default are regarded as credit impaired (Stage 3) and are also measured on a lifetime ECL basis.

1 Accounting policies - continued

1.15 Derecognition of financial assets and financial liabilities

Financial assets

The Company derecognises a financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement where either:
- the Company has transferred substantially all the risks and rewards of the asset; or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

The Company derecognises a financial liability (or, where applicable a part of a financial liability or part of a group of similar financial liabilities) when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of the existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of profit and loss and other comprehensive income.

1.16 Accounting estimates and judgements

In preparing these financial statements, management has made no material estimates and significant accounting judgements.

2 Revenue from contracts with customers

Nature of services and revenue recognition

Fee revenue in investment management is primarily variable, based on levels of assets under management (“AUM”) and the level of client-driven transactions, as specified in fee schedules.

Investment management fees are dependent on the overall level and mix of AUM. The management fees, expressed in basis points, are charged for managing those assets. Management fees are typically subject to fee schedules based on the overall level of assets managed and products in which those assets are invested. The Company has delegated the investment management and distribution of the funds to other entities within the Group, for which it pays fees based on AUM.

Investment management fee revenue also includes transactional and account-based fees. These fees along with distribution and servicing fees are recognised when the services have been completed. Clients are generally billed for services performed on a monthly or quarterly basis.

Contract balances

The Company’s customers are billed based on fee schedules that are agreed upon in each customer contract. The receivables from customers were £19,776,000 as at 31 December 2025 (2024: £18,802,000). An allowance is maintained for accounts receivable which is generally based on the number of days outstanding. Adjustments to the allowance are recorded in other expense in the Statement of profit and loss and other comprehensive income. Receivables from customers are included in debtors on balance sheet.

2 Revenue from contracts with customers - continued

Unsatisfied performance obligations

The Company does not have any unsatisfied performance obligations other than those subject to a practical expedient election under IFRS 15. The practical expedient applies to (i) contracts with an original expected length of one year or less, and (ii) contracts for which the Company recognises revenue at the amount to which the Company has the right to invoice for services performed.

Revenue by activity

	2025	2024
	£000	£000
Management fees	204,700	210,958
Commissions	(63,115)	(63,537)
Revenue	141,585	147,421

Net gain from dealing in investments and managed funds is calculated as follows:

	2025	2024
Gross sale of units and shares	5,495,084	5,044,843
Net gains on creations/liquidations	1,233,666	2,744,565
Repurchases of units and shares	(6,728,750)	(7,789,377)
Discounts	-	(31)
Net gain from dealing in investments and managed funds	-	-

3 Administrative expenses

	2025	2024
	£000	£000
Distribution costs	42,450	44,243
Professional fees	364	337
Recharged from Group undertakings	12,010	11,773
Other	1,320	967
	56,144	57,320

4 Auditor's remuneration

Auditor's remuneration:

	2025	2024
	£000	£000
Amounts receivable by the Company's auditor and its associates in respect of:		
Audit of these financial statements pursuant to legislation	184	161

Notes to the Financial Statements
for the year ended 31 December 2025

5 Directors' emoluments

The aggregate amount of remuneration paid to or receivable by directors in respect of qualifying services is disclosed below. Qualifying services include services as a director of the Company, or otherwise in connection with the management of the affairs of the Company. The amounts are disclosed irrespective of which Group company actually makes the payment to the directors.

	2025	2024
	£000	£000
Directors' emoluments	575	593
Amounts receivable under long-term incentive schemes	27	37
Company contributions to money purchase pension plans	32	32
	634	662

The aggregate of emoluments and amounts receivable under long-term incentive schemes of the highest paid director was £307,000 (2024: £281,000), and Company pension contributions of £22,000 (2024: £19,000) were made to a money purchase scheme on their behalf. During the year, the highest paid director did receive shares under a long-term incentive scheme.

	Number of Directors	
	2025	2024
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	4	6
The number of directors in respect of whose services shares were received or receivable under long-term incentive schemes was	4	5

6 Interest receivable and similar income

	2025	2024
	£000	£000
Net foreign exchange gain	2	-
Receivable from third parties on bank deposits	42	91
Receivable from Group undertakings	22	147
Total interest receivable and similar income	66	238

7 Interest payable and similar charges

	2025	2024
	£000	£000
Net foreign exchange loss	-	5
Payables on bank loans and overdrafts from third parties	9	-
Payable to Group undertakings	88	131
Total interest payable and similar charges	97	136

8 Taxation

Recognised in the profit and loss and other comprehensive income account

	2025	2024
	£000	£000
UK corporation tax & Foreign tax		
Current tax on profit for the period	578	655
Adjustments in respect of prior periods	3	-
Total tax expense	581	655

Factors affecting total tax charge for the current period

	2025	2024
	£000	£000
Total profit for the year	1,730	1,964
Total tax expense	581	655
Profit excluding taxation	2,311	2,619
Tax using the UK corporation tax rate of 25.00% (2024: 25.00%)	578	655
Adjustments in respect of prior years	3	-
Total tax expense	581	655

The UK corporation tax rate of 25%, effective from 1 April 2023, was substantively enacted as part of Finance Bill 2021.

The Company is within the scope of the OECD Pillar II rules. The Pillar II legislation was enacted in the UK on 20 June 2023 as part of Finance (No.2) Act 2023 and came into effect on 1 January 2024. The Pillar II legislation was therefore effective for the financial year, but the Company has no related current tax exposure. The UK entities of the Bank of New York Mellon Group have an effective tax rate above 15%, such that the rules do not have any impact on the Company.

9 Debtors

	2025	2024
	£000	£000
Trade debtors	68,282	40,498
Amounts owed by Group undertakings	1,606	1,801
Other debtors	-	5
Prepayments and accrued income	19,777	18,787
	89,665	61,091
Due within one year	89,665	61,091

Expected credit loss at 31 December 2025 is £nil (31 December 2024: £nil).

Notes to the Financial Statements
for the year ended 31 December 2025

10 Cash at bank and in hand

	2025	2024
	£000	£000
Cash at bank and in hand	27,804	27,667

Cash at bank included £21,118,000 (2024: £18,536,000) of funds on deposit with a UK regulated banking entity within the Group.

The Company is exposed to foreign exchange risk between the date of recognition and settlement of foreign currency income and expenses. To mitigate this the Company maintains foreign currency cash balances to offset the net currency position. This activity can result in foreign currency overdrafts that mitigate the risk of foreign currency balances. All overdrafts are with the Bank of New York Mellon London Branch.

11 Other assets

	2025	2024
	£000	£000
Other assets	94	521

Other assets relate to amounts held in relation to the Company's Prudent Segregation Policy. Under this policy, the Company is required to segregate an amount of its assets in a client money account to ensure its clients are protected from loss in the event of the Company's insolvency.

12 Creditors: amounts falling due within one year

	2025	2024
	£000	£000
Bank loans and overdrafts	2,329	2,454
Trade creditors	79,314	52,946
Amounts owed to Group undertakings	21,212	20,703
Accruals and deferred income	259	372
Taxation and social security	140	225
	103,254	76,700

13 Called up share capital

Share capital

	2025	2024
	£000	£000
Allotted, called up and fully paid		
1,625,000 ordinary shares of £1 each (2024: 1,625,000)	1,625	1,625

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

14 Related parties

The Company acts as Authorised Corporate Director ("ACD") to a number of authorised funds as detailed on page 10. These funds are classified as related parties of the Company on the basis that the Company has management responsibility for them.

During the year, the Company provided investment management and administration services to these funds. The total management and administration fees earned during the year, together with the amounts owed to the Company by these related party funds at the balance sheet date, are presented below.

	2025	**2024**
	£000	**£000**
Management fees	204,700	210,958
Management fee receivables	33,616	27,888

In addition to the services noted above, the Company also facilitated trading activity for these funds, including the creation and liquidation of shares. Net gains arising from the creations and liquidations of units during the year, together with the amounts owed to and paid by the Company in relation to these related-party funds are presented below.

	2025	**2024**
	£000	**£000**
Net gains on creations/ liquidations	1,233,666	2,744,565
Amounts receivable in relation to liquidation of units	34,637	12,577
Amounts payable in relation to creation of units	(24,929)	(18,568)

The maximum exposure to loss in these funds is limited to the outstanding balance of unpaid fees as at the period end disclosed above.

15 Transactions involving Directors, officers and others

As at 31 December 2025, there were no loans or other transactions made to directors, officers and other related parties of the Company (2024: £nil).

16 Ultimate parent company and parent company of larger group

The immediate parent undertaking of the Company is IM EMEA, a company registered in England and Wales. IM EMEA's registered address is BNY Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA.

The largest and smallest group in which the results of the Company are consolidated is that headed by The Bank of New York Mellon Corporation, incorporated in the United States of America.

The ultimate parent company as at 31 December 2025 was The Bank of New York Mellon Corporation, incorporated in the United States of America. The consolidated accounts of the ultimate parent company may be obtained from its registered address.

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