

# BNY MELLON FUTURELEGACY 4 FUND

## Quarterly Investment Report

As at 31 March 2026



The value of investments and the income received can fall as well as rise and investors may not get back the original amount invested.

Please refer to the prospectus, KIID where applicable and other fund documents for a full list of risks and before making any investment decisions. Documents are available in English and in selected local languages where the fund is registered. Go to [bny.com/investments](https://bny.com/investments).

# FUND INFORMATION

## Investment objective

To achieve capital growth and potential for income over the long term (5 years or more) while being managed to a pre-defined level of risk. The Fund will aim to maintain a risk profile classification of 4 from a scale of 1 (lowest) to 10 (highest) which is assessed against the risk ratings scale provided by an external third party risk rating agency.

## Performance Benchmark

A benchmark is a metric or baseline to judge a fund's performance against. The BNY Mellon FutureLegacy 4 Fund uses the Investment Association's Mixed Investment 20-60% Shares NR Sector average as an appropriate benchmark for comparison.

This benchmark is a collection of funds with different investment managers. Both the Fund and the constituents of the benchmark have a range of different investments. Typically, between 20% and 60% of the funds' portfolios will be invested in company shares.

As an actively managed fund, the Investment Manager can make investment decisions (whether to buy, sell or hold assets) at its discretion. These decisions are made in line with the Fund's objective and investment policy as disclosed in the Prospectus.

## Your investment report

This report covers the performance of the Fund over the past three months. It includes:

- A video update from the Fund's manager.
- Performance summary and insights into what the Fund bought and sold over this period.
- Data showing the performance of the Fund against its benchmark.
- How, and where, the Fund is currently invested.

*If you have any questions about the Fund, please speak to your financial adviser. With their knowledge of your savings goals and appetite for investment risk, they will be best placed to discuss how investing in the Fund can support your financial objectives.*

For any investment-related terms that you are unsure of please refer to the glossary which can be found on pages 7 & 8.

**The Fund can invest more than 35% of net assets in different transferable securities and money market instruments issued or guaranteed by the UK or an EEA State, its local authorities, a third country or public international bodies of which the UK or one or more EEA States are members.**

The BNY Mellon FutureLegacy funds are actively managed. The funds are invested based on forward-looking expectations of volatility - the expected fluctuations of an underlying stock or index over a specific time frame. The Investment Manager uses its own internal risk model in managing the funds and also considers external independent risk profiling methodologies. Funds have a risk profile rating to determine how conservatively it is managed. A rating of one is considered lowest risk on the scale, with 10 the highest. This risk profile score is featured in the fund's name and is different to the risk and reward category shown in the funds' Key Investor Information Document(s). The funds target risk profiles of 3, 4, 5, 6 and 7 but this is not guaranteed.

# INVESTMENT MANAGER

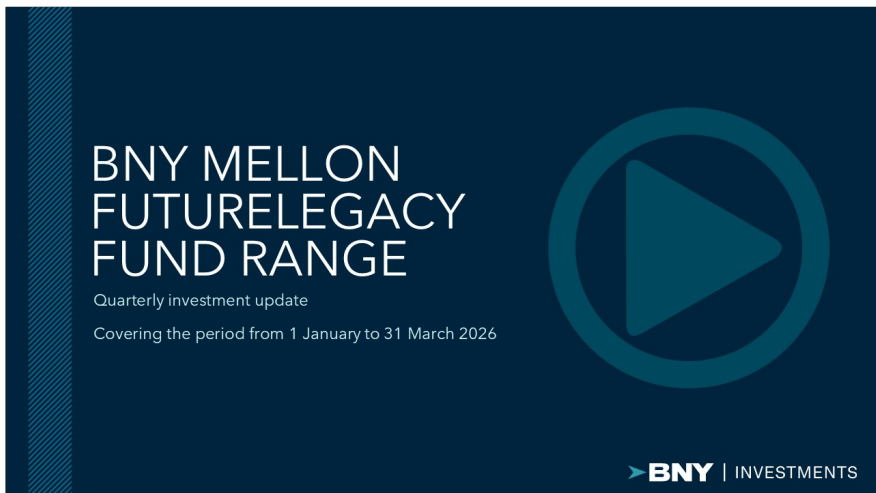
BNY Investments Newton seeks to deliver strong investment outcomes to its clients by taking an active, multidimensional and engaged approach, applied across four key disciplines: income and value equities, growth and core equities, specialist equities and multi-asset strategies.



# QUARTERLY HIGHLIGHTS

January to March 2026

Watch Fund update



In this short video, Bhavin Shah, portfolio manager of the BNY Mellon FutureLegacy Fund range, shares his insights into how the Funds performed over the last quarter.

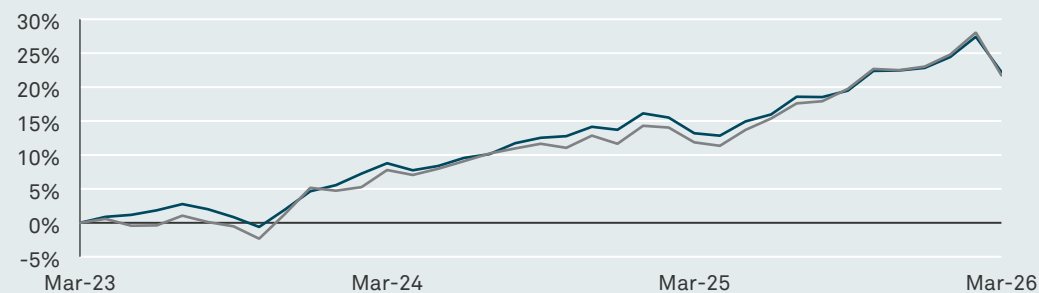
## Performance summary (%)

	3 months	Year-to-date	1 year	3 years annualised	5 years annualised
Fund	-0.49	-0.49	7.98	6.91	-
Performance Benchmark	-1.04	-1.04	8.83	6.77	-

	2021	2022	2023	2024	2025
Fund	-	-	-	8.66	8.02
Performance Benchmark	7.59	-9.79	6.89	6.18	10.18

## 3 years cumulative performance (%)



**22.23%** Fund **21.74%** Performance Benchmark

Source for all performance: Lipper as at 31 March 2026. Fund performance for the Institutional Shares W (Accumulation) share class calculated as total return, based on net asset value, including reinvested income net of applicable UK tax and charges. All figures are in GBP terms. Effective 1 August 2025, the Fund's Benchmark changed from 10% SONIA GBP, 45% ICE BofA Global Broad Index GBP Hedged and 45% MSCI ACWI GBP NR to the Investment Association's Mixed Investment 20-60% Shares NR sector average. Benchmark performance shown for all time periods is that of the Investment Association's Mixed Investment 20-60% Shares NR sector average.

The Fund's discrete performance will not be available for five full 12 month periods as the Fund launched on 07 February 2023.

**Past performance is not a guide to future performance.**

## MARKET BACKDROP

Global stock markets fell between January and March 2026. War in the Middle East was the most significant factor moving markets during the quarter. A joint attack on Iran by the US and Israel led to the closure of the Strait of Hormuz at the end of February, sending oil and gas prices starkly higher. These geopolitical tensions and related economic pressures led central banks to act with caution. In the UK and eurozone, investors began to expect the Bank of England (BoE) and European Central Bank could raise interest rates, reversing earlier forecasts for rate cuts. The US Federal Reserve hinted at only one rate cut in 2026. Policymakers and consumers alike began to fear higher inflation thanks to rising commodity prices.

Most regions saw stock prices fall. In the US, the S&P 500 Index fell dramatically in March. US GDP growth increased in the final three months of 2025, though at a much slower rate than earlier in the year. European equities plummeted too. Euro area inflation bounced significantly, landing at 2.5% in March, the highest reading in more than a year. Emerging market stocks were also brought lower by the conflict, though finished the quarter largely flat. In bond markets, 10-year UK Gilt yields rose as investors speculated the BoE may find it prudent to up interest rates. Yields on 10-year US, German and Japanese government bonds rose as well. In this environment, UK stocks were more resilient than developed market peers. The FTSE All-Share Index rose throughout the three months under review, and the FTSE 100 Index also eked out a gain. This was due to the high volume of commodity stocks in the index, as firms from this sector did well thanks to higher oil prices. UK inflation, as measured by the Consumer Price Index, retreated to 3.0% in February, though this was higher than the BoE's target of 2%. GDP growth remained lacklustre at 0.1% for the final quarter of 2025.

<sup>4</sup> Past performance is not a guide to future performance.

## PERFORMANCE

The Fund produced a negative return, net of fees, between the 1st of January and the 31st of March, but outperformed its benchmark.

### Reasons for performance

Company shares, particularly from the industrial, technology, and financials sectors, helped the Fund do better than its benchmark during the quarter.

The technology sector continued to do well, and so the Fund's shares of Chroma ATE, which makes testing equipment for the semiconductor industry, rose. Positive earnings results reported during the quarter lifted its share price.

In industrials, GE Vernova's share price rose on strong demand for power equipment, particularly as related to artificial intelligence (AI).

In financials, shares of stock exchange operators CME and B3 added to returns. Brazil's stock market reported an all-time high in February prior to the start of the war, which lifted the share price of B3.

Elsewhere, shares of US pharmaceutical firm Gilead Sciences rose after the company reported positive results for its new breast cancer drug.

Less helpfully, not owning any shares from the energy sector held the Fund back. Energy stocks did very well during the quarter thanks to turmoil in the Middle East.

Shares of companies in the consumer discretionary sector also struggled as the public wondered about the effect the war would have on inflation. In particular, shares of Universal Music Group fell on lacklustre fourth-quarter earnings results and fewer new subscribers to streaming services.

Shares of Inditex - which owns clothing brands Zara and Massimo Dutti - also fell despite the firm reporting a good trading update.

Finally, the Fund's shares in Indian bank HDFC detracted.

In fixed income, holdings in Peruvian government bonds proved unhelpful as both commodity prices and inflation rose. This was partially offset, however, by the Fund's holdings in US Treasury Inflation-Protected Securities, which benefited from expectations of rising inflation.

## ACTIVITY

The manager added to the Fund's shares in the technology sector by buying a new position in shares of semiconductor firm Texas Instruments in January. This position was added to later during the quarter.

Shares of US pharmaceutical group Pfizer were purchased as well. Uncertainty about pricing policy has faded, and the manager was encouraged by Pfizer's recent acquisition of biotech firm Seagen.

Among consumer stocks, a new holding in shares of household products group Procter & Gamble was added. The manager was encouraged by Procter & Gamble's outlook for the second half of the year.

Some of the Fund's shares in Samsung Electronics were sold to realise profits. The Fund's holdings in shares of Microsoft were sold as well.

Given concerns about the potentially disruptive impact of AI on the freight sector, the manager sold the Fund's holdings in CH Robinson.

## FIRST QUARTER 2026

In the fixed income markets, the manager bought more Brazilian government bonds and sold the Fund's Hungarian government bonds.

Some changes were made to the Fund's corporate bond holdings as well. Bonds from bus operator Mobico were purchased. The Fund's bonds from Spanish banking group BBVA were sold and replaced with perpetual bonds (which don't have a maturity date) from Italy's UniCredit.

Finally, as conflict in the Middle East increased, the manager established short positions in European, US and UK futures (which are agreements to sell certain stocks at a set price in the future) on the assumption that the stock market would fall. This assumption proved correct, and the positions were closed to realise profits at the end of March.

Middle East and the reactions of developed market central banks, as these are the issues most likely to shape the outlook for equity markets in the coming months.

## OUTLOOK

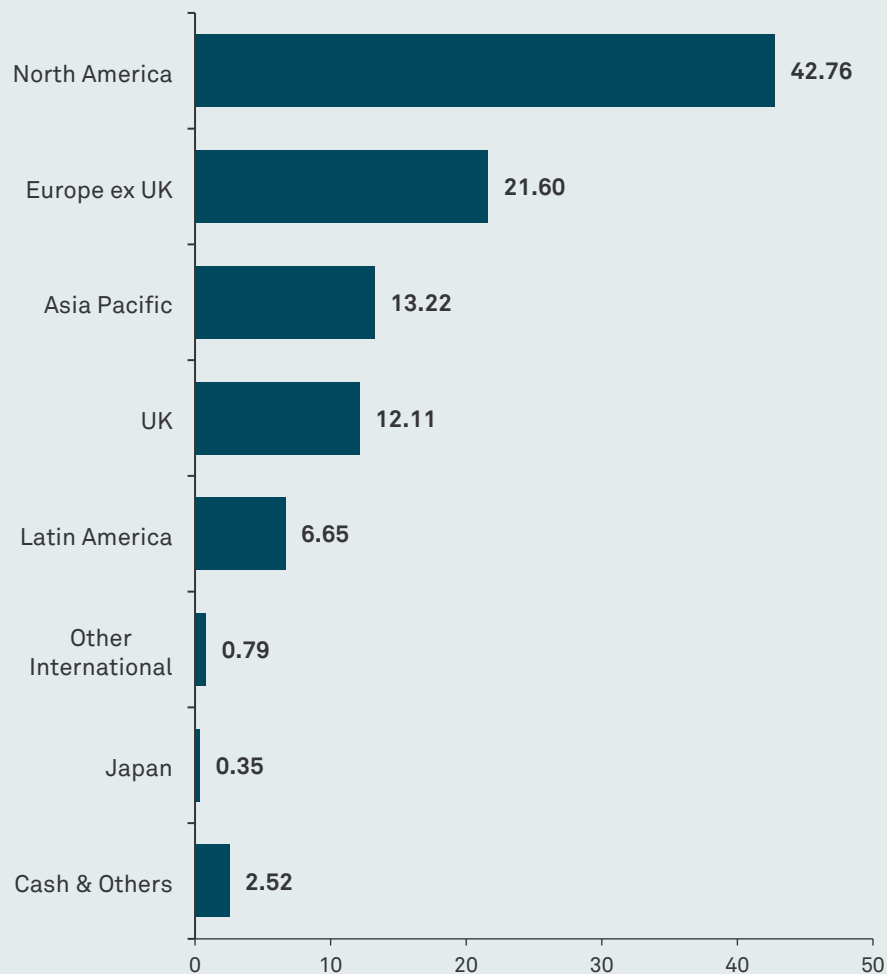
The economic and market landscape has changed dramatically since the start of 2026. Monitoring the changeable situation in the Middle East will remain key as it continues to disrupt oil and gas supplies. Energy prices rising will have an effect on everyday costs, which could keep inflation higher for longer. This in turn could encourage central banks to counter higher prices with steeper interest rates.

Elsewhere, ongoing spending on AI technology and data centres could provide opportunities for investors.

Given the notably volatile backdrop, the manager will pay keen attention to any developments in the

# WHERE THE FUND IS INVESTED

## Geographical allocation (%)



## Largest fund holdings (%)

Government Of The United States Of America 0.0% 09-Apr-2026	6.24
Government Of The United States Of America 0.0% 03-Sep-2026	5.19
Government Of Brazil 0.0% 01-Jan-2028	2.72
Government Of Czech Republic 3.0% 03-Mar-2033	1.87
Canada Housing Trust No. 1 3.6% 15-Dec-2027	1.73
Government Of The United States Of America 4.5% 15-Nov-2033	1.54
Government Of Peru 5.4% 12-Aug-2034	1.46
Government Of Brazil 0.0% 01-Jan-2030	1.36
NVIDIA Corporation	1.35
Government Of The United States Of America 0.125% 15-Jan-2031	1.34

## Fund allocation (%)



Source: BNY Mellon Investment Management EMEA Ltd. Data as at 31 March 2026

**GLOSSARY**

**ACTIVE MANAGEMENT:** A process whereby an investment professional actively makes buy, hold and sell decisions and aims to outperform the overall market.

**ASSET(S):** In this context, investments held in a portfolio, for example stocks, bonds, property and cash.

**ASSET CLASS:** A broad group of investments with similar financial characteristics.

**AUTHORISED CORPORATE DIRECTOR (ACD):** is responsible for the running of an investment fund. They have a duty to act in the best interests of the fund's investors, and ensure that the fund is well managed in line with regulations and with the investment objectives and policies set out in its prospectus.

**BENCHMARK:** A baseline for comparison against which a fund can be measured.

**BOND(S):** A loan of money by an investor to a company or government for a stated period of time in exchange for a fixed interest rate payment and the repayment of the initial amount at its conclusion.

**CAPITAL GROWTH:** When the current value of an investment is greater than the initial amount invested.

**COMMODITY/COMMODITIES:** An asset in the form of a raw material that can be bought and sold such as gold, oil, coffee, wheat, etc.

**CONSUMER DISCRETIONARY:** Goods and services considered non essential by consumers but desirable if their income is sufficient to purchase them.

**CONSUMER PRICES INDEX:** An index used to measure inflation, based on the prices in a basket of goods and services, meant to be representative of those we typically spend our money on.

**CORPORATE BONDS:** A loan made to a company for a fixed period by an investor, for which they receive a defined return.

**DEVELOPED MARKETS:** A country that is most developed in terms of its economy and financial markets.

**EARNINGS:** Money obtained in return for labour or services.

**EMERGING MARKET(S):** Countries in the process of becoming developed economies.

**EQUITY/EQUITIES:** Also known as equity, is a security that represents the ownership of a fraction of the issuing corporation.

**EUROZONE:** The economic region that contains all members of the European Union that use the euro as currency.

**FINANCIALS:** A sector made up of companies that provide financial services.

**FIXED INCOME:** Broadly refers to those types of investment security that pay investors fixed interest or dividend payments until their maturity date.

**FUTURES:** Futures are financial contracts obligating the buyer to purchase an asset or the seller to sell an asset, such as a physical commodity or a financial instrument, at a predetermined future date and price. Futures contracts detail the quality and quantity of the underlying asset, they are standardised to facilitate trading on futures exchanges.

**GEOPOLITICS/GEOPOLITICAL:** Geographic influences on power relationships in international relations.

**GILT(S):** Fixed income security issued by the UK government.

**GOVERNMENT BONDS:** A loan of money by an investor to a government for a stated period of time in exchange for a (generally) fixed rate of interest and the repayment of the initial amount at its conclusion.

**GROSS DOMESTIC PRODUCT (GDP):** A monetary measure of the market value of all goods and services produced in a given period of time.

**INDEX/INDICES:** A portfolio of investments representing a particular market or a portion of it. For example: The FTSE 100 is an index of the shares of the 100 largest companies on the London Stock Exchange.

**INDUSTRIALS:** The industrial goods sector includes stocks of companies that mainly produce capital goods used in manufacturing, resource extraction, and construction.

**INFLATION/INFLATIONARY:** The rate of increase in the cost of living. Inflation is usually quoted as an annual percentage, comparing the average price this month with the same month a year earlier.

**OUTPERFORMANCE:** To have a greater performance/return to a comparator.

**PERPETUAL BONDS:** Perpetual bonds, are bonds with no maturity date. Although perpetual bonds are not redeemable, they pay a steady stream of interest with no redemption date.

**RETURN(S)/RETURNED:** The gain or loss from an investment over a stated period of time - expressed in either percentage or cash terms.

**SECTORS:** An area of the economy in which businesses share the same or related business activity, product, or service.

**SECURITY/SECURITIES:** A tradable financial asset such as a share in a company or a fixed income security also known as a bond.

**SHARE(S):** Also known as equity, is a security representing the ownership of a fraction of a company listed on the stock market.

**SHORT:** A way for a fund manager to express his or her view that the market or security might fall in value.

**STOCK:** Also known as equity, is a security that represents the ownership of a fraction of the issuing corporation.

**VOLATILE/VOLATILITY:** Large and/or frequent moves up or down in the price or value of an investment or market.

**YIELD:** Income received from investments, either expressed as a percentage of the investment's current market value, or dividends received by the holder.

**The value of investments and the income received can fall as well as rise and investors may not get back the original amount invested.**



**If you are unsure which type of investment is right for you, please contact a financial adviser.**

**Important Information**

**This is a financial promotion.**

Any views and opinions are not investment advice or a research recommendation. Portfolio holdings are subject to change, for information only and are not investment recommendations. BNY is the corporate brand of The Bank of New York Mellon Corporation and may be used to reference the corporation as a whole and/or its various subsidiaries generally. BNY Mellon Investment Funds is an open-ended investment company with variable capital (ICVC) with limited liability between sub-funds. Incorporated in England and Wales: registered number IC27. The Authorised Corporate Director (ACD) is BNY Mellon Fund Managers Limited (BNY MFM), incorporated in England and Wales: No. 1998251. Registered address: BNY Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA. Authorised and regulated by the Financial Conduct Authority. Issued in the UK by BNY Mellon Investment Management EMEA Limited, BNY Mellon Centre, 160 Queen Victoria Street, London EC4V 4LA. Registered in England No. 1118580. Authorised and regulated by the Financial Conduct Authority.