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The value of investments can fall. Investors may not get back the amount invested.
Income from investments may vary and is not guaranteed.

MULTI-ASSET QUARTERLY COMMENTARY

Q4 2025

BNY | INVESTMENTS

EXECUTIVE SUMMARY

At a glance

- **Markets:** Q4 was positive for most asset classes, driven by expectations of **US rate cuts**, easing **US–China trade tensions** and continued **AI-led investment**, despite late quarter valuation concerns.
- **Performance: BNY Mellon Multi Asset Diversified Return Fund, BNY Mellon Multi Asset Balanced Fund** and **BNY Mellon Multi Asset Growth Fund outperformed** their benchmarks; the **BNY Mellon Multi Asset Income Fund slightly underperformed.**
- **Drivers:** Strong **equity markets**, particularly **technology and AI related stocks**, were the main contributors. Some **industrials, consumer discretionary and renewables** detracted.

What worked

- **Technology & AI** exposure (notably semiconductors and Alphabet) supported returns across portfolios.
- **Financials**, especially Barclays, benefited from higher UK interest rates and supportive earnings dynamics.
- **Equities** were the strongest performing asset class overall.

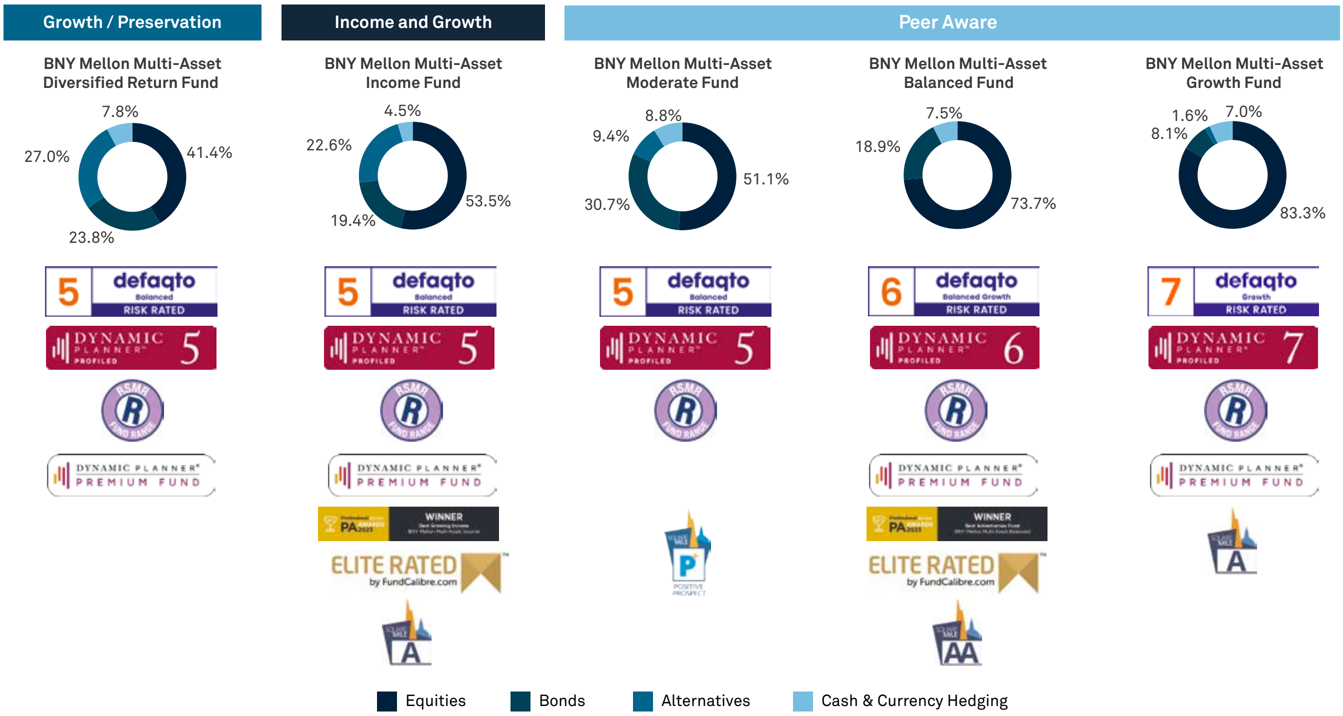
What held back returns

- **Industrials** (e.g. BAE Systems) saw profit taking and policy uncertainty.
- **Consumer discretionary** was mixed, with stock specific setbacks.
- **Renewable energy** holdings weakened due to proposed UK changes to inflation indexation.

Outlook

- Returns in 2025 were strong, but **future performance depends on AI investment translating into productivity and sustainable growth.**
- **Falling interest rates** may be supportive, while **geopolitics, tariffs and deglobalisation** remain key risks.
- **Bonds** look increasingly attractive as diversifiers at current yield levels.
- The strategy remains focused on **resilient assets with long term growth potential,** rather than relying on sustained high equity returns.

MULTI-ASSET RANGE COMMENTARY Q4 2025



All funds rated by:

Performance highlights

Global equities rose during the fourth quarter as investors welcomed interest-rate cuts from the US Federal Reserve, an end to the longest US government shutdown in history, and reduced tariff uncertainty following the US-China trade deal. Initial excitement for artificial intelligence (AI) supported gains in equities, but growing anxiety about AI-related valuations unnerved investors in November and December. Nevertheless, the overall positive sentiment helped many stock indices reach record highs during the quarter.

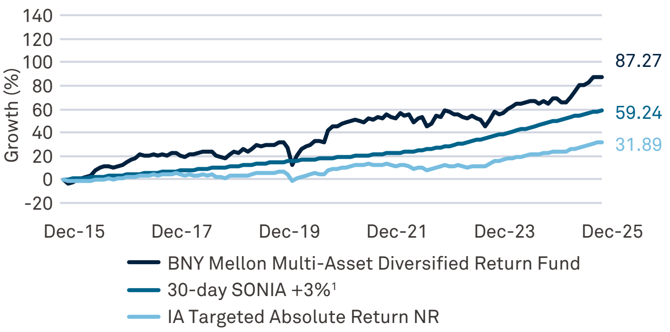
In fixed income, bond markets reflected evolving expectations around monetary policy, growth and inflation. Government bond and high-quality corporate bond yields generally trended lower over the quarter on moderating inflation data and expectations for central bank interest-rate cuts, underpinning positive total returns from core bond benchmarks. Credit spreads remained relatively tight, although some late-cycle caution emerged in lower-rated segments. In currency markets, the US dollar softened further, driven by rate differentials and shifting growth prospects. In commodities, precious metals and broad commodity indices finished strong, with gold and silver rallying on safe-haven demand.

Against this backdrop, the BNY Mellon Multi-Asset Diversified Return Fund, BNY Mellon Multi-Asset Growth Fund and BNY Mellon Multi-Asset Balanced Fund all outperformed their performance benchmarks, while the BNY Mellon Multi-Asset Income Fund marginally underperformed.

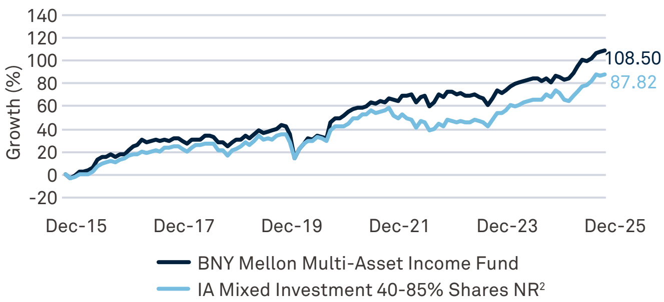
	Q4 2025	1 year to 31 Dec 2025	3 years to 31 Dec 2025 (annualised)	5 years to 31 Dec 2025 (annualised)
BNY Mellon Multi-Asset Diversified Return Fund	**+2.43**	**+14.44**	**+7.57**	**+5.88**
1 Month £ LIBOR +3% to 30 Day SONIA +3%	+1.69	+7.26	+7.63	+6.02
BNY Mellon Multi-Asset Income Fund	**+3.32**	**+15.35**	**+8.10**	**+7.49**
IMA Mixed Investment 40-85	+3.41	+11.80	+9.57	+5.67
BNY Mellon Multi-Asset Balanced Fund	**+4.06**	**+13.07**	**+11.62**	**+9.78**
IMA Mixed Investment 40-85	+3.41	+11.80	+9.57	+5.67
BNY Mellon Multi-Asset Growth Fund	**+6.02**	**+18.50**	**+11.98**	**+10.48**
IA Flexible	+3.56	+13.03	+10.19	+6.27
BNY Mellon Multi-Asset Moderate Fund	**+3.23**	**+12.07**	–	–
IA Mixed Investment 20-60	+2.74	+10.18	+7.73	+3.95

Source: Newton, gross of fees, close of business prices

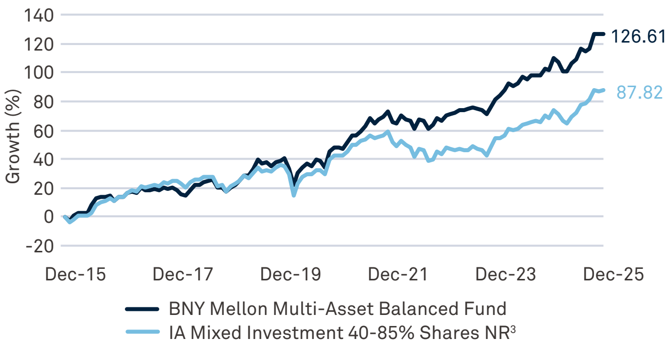
BNY Mellon Multi-Asset Diversified Return Fund



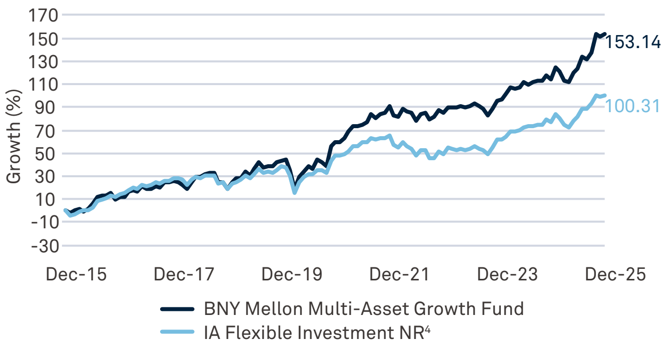
BNY Mellon Multi-Asset Income Fund



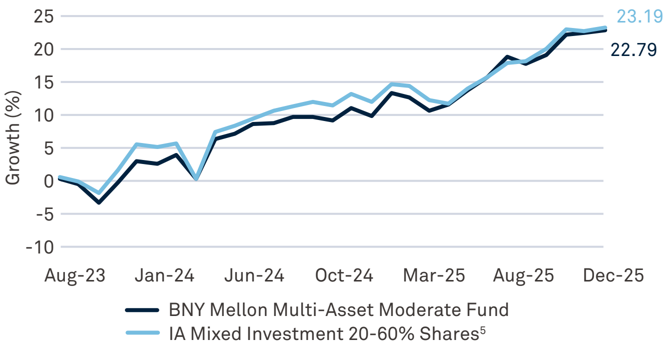
BNY Mellon Multi-Asset Balanced Fund



BNY Mellon Multi-Asset Growth Fund



BNY Mellon Multi-Asset Moderate Fund[6]



Notes: [1] The fund aims to deliver a minimum return of SONIA (30-day compounded) +3% p.a. over 5 years before fees. However, a positive return is not guaranteed, and a capital loss may occur. Effective 1 October 2021, the fund's performance benchmark changed to SONIA (30-day compounded) +3% p.a. All past performance and positioning prior to this date was calculated against 1-month GBP LIBOR+3%. [2] Effective 1 August 2025, the fund's performance benchmark changed from a composite index comprising 60% MSCI AC World NR Index and 40% ICE Bank of America Global Broad Market GBP Hedged Index to the Investment Association's Mixed Investment 40-85% Shares NR Sector Average. The fund does not aim to replicate either the composition or the performance of the benchmark. [3] The IA Mixed Investment 40-85% Shares NR performance benchmark is used as a comparator for this fund. The fund does not aim to replicate either the composition or the performance of the performance benchmark. [4] The IA Flexible Investment NR performance benchmark is used as a comparator for this fund. The fund does not aim to replicate either the composition or the performance of the performance benchmark. Source: Lipper, 31 December 2025. Fund performance for Institutional W (Accumulation) share class is calculated as total return, including reinvested income net of applicable UK tax and charges, (0.63% annual management charges), based on net asset value. All figures are in GBP terms. Institutional W (Income) share class is used to present performance for the BNY Multi-Asset Income Fund. Comparisons are made to demonstrate correlation only and are for illustrative purposes only. [5] The IA Mixed Investment (20–60% Shares) performance benchmark is used as a comparator for this fund. The fund does not aim to replicate either the composition or the performance of the performance benchmark. [6] Inception date:

30 August 2023. Source: Lipper, 31 December 2025. Fund performance for Institutional W (Accumulation) share class is 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. Institutional W (Accumulation) share class annual management charge: 0.63%. Please note that sector returns are likely to vary, depending on the timing of data extraction from Lipper.

For the **BNY Mellon Multi-Asset Balanced Fund** (MAB) and the **BNY Mellon Multi-Asset Growth Fund** (MAG), semiconductor-related holdings, including US-listed semiconductor equipment manufacturer Applied Materials, were among the top contributors in the technology sector. Applied Materials benefited from several broker upgrades, while concerns about US trade tariffs on the company's exports to China eased as the US and China agreed in October to postpone export restrictions on semiconductors for one year.

Alphabet, Google's parent company, was another key contributor. Google's launch of Gemini 3, its latest large language model, reinforced perceptions that Alphabet is gaining ground in AI, supported by its advanced tensor processing units, which some view as increasingly competitive with Nvidia's graphical processing units for large-scale AI workloads. By contrast, the holding in Microsoft detracted, with investors questioning the sustainability of the software group's heavy spending on AI infrastructure and the near-term effect on free cash flow generation.

In the industrials sector, the holding in aerospace and defence group BAE Systems detracted on profit taking after a prolonged period of outperformance. Concerns over potential delays to contract funding due to the US government shutdown and protracted Ukraine-Russia ceasefire talks weighed on sentiment, despite the company maintaining annual guidance and NATO defence spending providing long-term support. Additionally, the holding in UK-listed information services group RELX weakened, given ongoing concerns about the potentially disruptive effect of emerging AI technologies on its business model.

Elsewhere, the strong copper price ensured the holding in mining company Freeport McMoran performed well for both portfolios. Likewise, Barclays was a key contributor among financials as relatively high UK interest rates continued to boost net interest margins, while the threat of a surcharge on banking sector profits failed to materialise in the autumn UK Budget.

In MAG, the consumer discretionary holding of Chinese e-commerce group Alibaba detracted after fiscal second-quarter results released in November raised concerns about margin compression despite revenues exceeding estimates, while capital-intensive investment in logistics infrastructure and cloud computing capacity has diluted free cash flow.

In MAB, the healthcare holdings Danaher and Thermo Fisher Scientific performed well. However, this was offset by some weakness in the portfolio's new addition Agilent, a healthcare equipment and services provider. In addition, concerns around the potential competitive threat from AI continued negatively to affect information services company Wolters Kluwer, and we reduced the holding during the period.

Turning to the **BNY Mellon Multi-Asset Diversified Return Fund (MADR)** and the **BNY Mellon Multi-Asset Income Fund (MAIF),** equities were the best-performing segment of both portfolios.

Among financials, Barclays was a key contributor as relatively high UK interest rates continue to boost net interest margins, while the threat of a surcharge on banking sector profits failed to materialise in the UK autumn Budget.

In the technology sector, Taiwan Semiconductor Manufacturing Company has a dominant position in leading-edge semiconductor manufacturing and reported record quarterly profits, while upgrading its full-year revenue forecast. South Korean technology conglomerate Samsung Electronics issued positive earnings guidance. The company expected its third-quarter earnings to reach a three-year high due to the boom in AI-related spending, which is driving demand for its high-bandwidth memory products.

In industrials, aerospace and defence group BAE Systems detracted on profit taking after a prolonged period of outperformance. Concerns over potential delays to contract funding due to the US government shutdown and protracted Ukraine-Russia ceasefire talks weighed on sentiment, despite the company

"Semiconductor-related holdings, including US-listed semiconductor equipment manufacturer Applied Materials, were among the top contributors in the technology sector."

maintaining annual guidance and NATO defence spending providing long-term support.

For both portfolios, positioning within the consumer discretionary sector detracted.

In MAIF, the holding in Spanish clothing group Inditex – owner of the Zara and Massimo Dutti chains – was a key contributor as third-quarter sales came in ahead of consensus expectations. However, this was more than offset by the holding in discount retailer B&M European Value Retail which issued a profit warning, resulting from an accounting error as overseas freight costs had not been fully recognised.

In MADR, the holding in Tencent Music Entertainment came under selling pressure after a broker downgrade, despite solid third-quarter results underpinned by subscription revenues from its online music business.

In the alternatives segment of both portfolios, renewable-energy holdings weakened over the quarter. Greencoat UK Wind and The Renewables Infrastructure Group detracted in response to UK government proposals to change the inflation index calculation used in the renewables obligation and feed-in-tariffs schemes from the retail prices index (RPI) to the consumer prices index (CPI). Historically, the RPI has been persistently higher than the CPI, and with the government looking to reduce household energy bills, shifting to the latter as the basis of calculation is under review. Accordingly, these proposals weighed on market sentiment and weakened share prices throughout the renewable-energy sector.

By contrast, UK-listed investment trust Pershing Square Holdings was the leading contributor to total returns in MADR, boosted by the strong performance of several major holdings. Notably, these included Alphabet, the parent company of Google, which confirmed that growing demand for its AI services drove record advertising and cloud computing revenues in the third quarter. Subsequently, the announcement of a further share buyback programme boosted the share price.

Outlook

Financial markets delivered robust returns in 2025, driven by AI investments and the rollout of digital infrastructure. However, to remain advantageous for investors, this capital expenditure must now translate into productivity enhancements and a disinflationary cost base, or create new revenue streams.

A more accommodative monetary policy environment may be supportive, with interest rates expected gradually to decline as inflation eases from previous highs. Nonetheless, deglobalisation, geopolitical tensions and increasing tariffs could warrant investors to demand a higher risk premium.

US fiscal expansion, including potential tax cuts, may provide additional support ahead of midterm elections later in the year. However, persistent supply-chain event risk amid the fragile trade truce between the US and China may limit the duration of investor confidence. In China, excess capacity, deflationary forces, and subdued domestic consumption must be addressed and could encourage further protectionist policies globally.

A steadier political calendar may reduce the likelihood of fiscal shocks, which, along with higher current bond yields, increases the attraction of bonds to serve as effective diversification tools within multi-asset portfolios.

While investors should not expect the double-digit equity returns seen in recent years to persist indefinitely, our investment strategy will continue to prioritise assets that demonstrate resilience in the prevailing conditions and offer prospects for durable, long-term growth.

“Financial markets delivered robust returns in 2025, driven by AI investments and the rollout of digital infrastructure.”

PAST PERFORMANCE IS NOT A GUIDE TO FUTURE PERFORMANCE.

THE VALUE OF INVESTMENTS CAN FALL. INVESTORS MAY NOT GET BACK THE AMOUNT INVESTED. INCOME FROM INVESTMENTS MAY VARY AND IS NOT GUARANTEED.

BNY Mellon Multi-Asset Balanced Fund

Investment objective

The Fund aims to achieve a balance between income and capital growth over the long term 5 years or more).

Performance Benchmark

The Fund will measure its performance against the UK Investment Association Mixed Investment 40-85% Shares NR Sector average as a comparator benchmark (the “Benchmark”). The Fund will use the Benchmark as an appropriate comparator because it includes a broad representation of funds with levels of equity and bond exposure similar to those of the Fund.

The Fund is actively managed, which means the Investment Manager has discretion over the selection of investments, subject to the investment objective and policies as disclosed in the Prospectus.

Performance – 12 month returns (%)

	Jan 2021 – Jan 2022	Jan 2022 – Jan 2023	Jan 2023 – Jan 2024	Jan 2024 – Jan 2025	Jan 2025 – Jan 2026
Fund	11.94	2.40	8.17	14.46	8.63
Performance Benchmark	6.38	-2.40	4.37	12.61	9.99

Calendar Performance (%)

	2021	2022	2023	2024	2025
Fund	17.37	-4.23	9.43	10.80	12.52
Performance Benchmark	11.24	-10.00	8.02	8.90	11.77

Source: Lipper as at 31 January 2026. Fund performance Institutional Shares W (Accumulation) calculated as total return, including reinvested income net of applicable UK tax and charges, based on net asset value. All figures are in GBP terms.

BNY Mellon Multi-Asset Diversified Return Fund

Investment objective

To achieve long-term capital growth over a period of at least 5 years from a portfolio diversified across a range of assets. The Fund is managed to seek a return in excess of cash SONIA 30 (day compounded) +3% per annum over five years before fees. In doing so, it aims to achieve a positive return on a rolling three year basis (meaning a period of three years, no matter which day you start on). However, a positive return is not guaranteed and a capital loss may occur.

Performance Benchmark

The Fund will measure its performance before fees over a rolling 5-year basis against the Sterling Overnight Index Average (SONIA). compounded over 30 days, plus 3% per year as a target benchmark (the “Benchmark”).

SONIA is the average interest rate banks pay to borrow pounds sterling overnight and is used as a proxy for the return on cash deposits. The 30-day rate is calculated by compounding the daily SONIA rates throughout the previous 30-day period.

The Fund will use the Benchmark as a target for the Fund’s performance to match or exceed because it is representative of sterling cash and the Fund’s investment objective is to seek a return in excess of sterling cash +3% per annum.

The Fund is actively managed, which means the Investment Manager has discretion over the selection of investments, subject to the investment objective and policies as disclosed in the Prospectus.

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.

Performance – 12 month returns (%)

	Jan 2021 – Jan 2022	Jan 2022 – Jan 2023	Jan 2023 – Jan 2024	Jan 2024 – Jan 2025	Jan 2025 – Jan 2026
Fund	5.34	3.37	-1.83	8.63	12.84
Performance Benchmark	3.08	4.55	7.81	8.19	7.27

Calendar Performance (%)

	2021	2022	2023	2024	2025
Fund	7.04	-1.41	2.82	4.48	13.77
Performance Benchmark	3.05	4.26	7.68	8.23	7.35

Source: Lipper as at 31 January 2026. Fund performance Institutional Shares V (Accumulation) calculated as total return, including reinvested income net of applicable UK tax and charges, based on net asset value. All figures are in GBP terms.

Effective 1st October 2021, the benchmark changed from the London Interbank Offered Rate (LIBOR) to the Sterling Overnight Index Average (SONIA). All benchmark past performance prior to this date was calculated against LIBOR.

BNY Mellon Multi-Asset Growth Fund

Investment objective

The Fund aims to achieve capital growth and income over the long term (5 years or more).

Performance Benchmark

The Fund will measure its performance against the UK Investment Association Flexible Investment NR Sector average as a comparator benchmark (the “Benchmark”). The Fund will use the Benchmark as an appropriate comparator because it includes a broad representation of funds with the same flexibility, in terms of equity and bond exposure, as the Fund.

The Fund is actively managed, which means the Investment Manager has discretion over the selection of investments, subject to the investment objective and policies as disclosed in the Prospectus.

Performance – 12 month returns (%)

	Jan 2021 – Jan 2022	Jan 2022 – Jan 2023	Jan 2023 – Jan 2024	Jan 2024 – Jan 2025	Jan 2025 – Jan 2026
Fund	13.99	4.26	3.50	14.27	15.45
Performance Benchmark	6.58	-1.41	4.24	13.81	11.03

Calendar Performance (%)

	2021	2022	2023	2024	2025
Fund	19.55	-3.00	5.72	9.71	18.07
Performance Benchmark	12.27	-9.74	7.86	9.82	12.97

Source: Lipper as at 31 January 2026. Fund performance Institutional Shares W (Accumulation) calculated as total return, including reinvested income net of applicable UK tax and charges, based on net asset value. All figures are in GBP terms.

BNY Mellon Multi-Asset Income Fund

Investment objective

The Fund aims to achieve income together with the potential for capital growth over the long term (5 years or more).

Performance Benchmark

The Fund is actively managed without benchmark-related constraints. The Fund will measure its performance against the UK Investment Association's Mixed Investment 40-85% Shares NR Sector Average as a comparator benchmark (the "Benchmark"). The Fund will use the Benchmark as an appropriate comparator because it includes a broad representation of funds with levels of equity and bond exposure similar to those of the Fund.

The Fund is actively managed, which means the Investment Manager has absolute discretion to invest outside the Benchmark subject to the investment objective and policies disclosed in the Prospectus. While the Fund's holdings may include constituents of the Benchmark, the selection of investments and their weightings in the portfolio are not influenced by the Benchmark. The investment strategy does not restrict the extent to which the Investment Manager may deviate from the Benchmark.

Performance – 12 month returns (%)

	Jan 2021 – Jan 2022	Jan 2022 – Jan 2023	Jan 2023 – Jan 2024	Jan 2024 – Jan 2025	Jan 2025 – Jan 2026
Fund	10.51	4.70	-1.11	8.89	15.27
Performance Benchmark	6.38	-2.40	4.37	12.61	9.99

Calendar Performance (%)

	2021	2022	2023	2024	2025
Fund	11.53	0.63	3.30	4.54	14.99
Performance Benchmark	11.24	-10.00	8.02	8.90	11.77

Source: Lipper as at 31 January 2026. Fund performance Institutional Shares W (Accumulation) calculated as total return, including reinvested income net of applicable UK tax and charges, based on net asset value. All figures are in GBP terms.

Effective 1st August 2025, the Benchmark changed from 60% MSCI AC World NR Index and 40% ICE Bank of America Global Broad Market GBP Hedged Index to UK Investment Association's Mixed Investment 40-85% Shares NR Sector Average. Benchmark performance shown for all time periods is that of the UK Investment Association's Mixed Investment 40-85% Shares NR Sector Average.

BNY Mellon Multi-Asset Moderate Fund

Investment objective

To achieve capital growth and income over the long term (5 years or more).

Performance Benchmark

The Fund will measure its performance against the UK Investment Association's Mixed Investment 20-60% Shares NR Sector average, as a comparator benchmark (the "Benchmark"). The Fund will use the Benchmark as an appropriate comparator because it includes a broad representation of funds with levels of equity and bond exposure similar to those of the Fund.

The Fund is actively managed, which means the Investment Manager has discretion over the selection of investments, subject to the investment objective and policies as disclosed in the Prospectus.

	Jan 2021 – Jan 2022	Jan 2022 – Jan 2023	Jan 2023 – Jan 2024	Jan 2024 – Jan 2025	Jan 2025 – Jan 2026
Fund	–	–	–	10.66	10.50
Performance Benchmark	4.60	-4.05	3.29	9.14	9.18

Calendar Performance (%)

	2021	2022	2023	2024	2025
Fund	–	–	–	6.68	12.07
Performance Benchmark	7.59	-9.79	6.89	6.18	10.18

Source: Lipper as at 31 January 2026. Fund performance Institutional Shares W (Accumulation) calculated as total return, including reinvested income net of applicable UK tax and charges, based on not asset value. All figures are in GBP terms.

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.

Key investment risks

OBJECTIVE/PERFORMANCE RISK: There is no guarantee that the Fund will achieve its objectives.

PERFORMANCE AIM RISK: The performance aim is not a guarantee, may not be achieved and a capital loss may occur. Funds which have a higher performance aim generally take more risk to achieve this and so have a greater potential for returns to vary significantly.

CURRENCY RISK: This Fund invests in international markets which means it is exposed to changes in currency rates which could affect the value of the Fund.

EMERGING MARKETS RISK: Emerging Markets have additional risks due to less-developed market practices.

SHARE CLASS CURRENCY RISK: Where a share class is denominated in a different currency from the base currency of the Fund, changes in the exchange rate between the share class currency and the base currency may affect the value of your investment.

CHANGES IN INTEREST RATES & INFLATION RISK: Investments in bonds/money market securities are affected by interest rates and inflation trends which may negatively affect the value of the Fund.

CREDIT RATINGS AND UNRATED SECURITIES RISK: Bonds with a low credit rating or unrated bonds have a greater risk of default. These investments may negatively affect the value of the Fund.

CREDIT RISK: The issuer of a security held by the Fund may not pay income or repay capital to the Fund when due.

INVESTMENT IN INFRASTRUCTURE COMPANIES RISK: The value of investments in Infrastructure Companies may be negatively impacted by changes in the regulatory, economic or political environment in which they operate.

CHARGES TO CAPITAL: The Fund takes its charges from the capital of the Fund. Investors should be aware that this has the effect of lowering the capital value of your investment and limiting the potential for future capital growth. On redemption, you may not receive back the full amount you initially invested.

A complete description of risk factors is set out in the Prospectus in the section entitled “Risk Factors”.

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