SANTANDER SICAV

Société d'Investissement à Capital Variable
incorporated under the laws of the Grand-Duchy of Luxembourg

PROSPECTUS

Distribution of this Prospectus is not authorised unless it is accompanied by the latest available annual report and accounts of the Santander SICAV and by the latest semi-annual report if published thereafter.

The shares of the Santander SICAV referred to in this Prospectus (the "Shares") are offered solely on the basis of the information contained herein. In connection with the offer made hereby, no person is authorised to give any information or to make any representation other than those contained in this Prospectus, and any purchase made by any person on the basis of the statements or representations not contained in or inconsistent with the information contained in this Prospectus shall be solely at the risk of the purchaser.

The date of this Prospectus is December 2023

IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS OR, WHEN AVAILABLE, THE ANNUAL OR SEMI-ANNUAL REPORTS, YOU SHOULD CONTACT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER.

SANTANDER SICAV (hereinafter called the "SICAV") is registered on the official list of collective investment undertakings under part I of the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment, as amended (the "Law of 2010" or the "Law") and qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under Article 1(2) of the Directive 2009/65/EC of 13 July 2009, and may be therefore be offered for sale in EU countries (subject to registration in countries other than Luxembourg).

The registration however does not imply approval by any Luxembourg authority of the contents of this Prospectus or the portfolios of securities held by the SICAV. Any representation to the contrary is unauthorised and unlawful.

The Shares of all Classes and Sub-Funds (as defined below) may be listed on the Luxembourg Stock Exchange and/or the Euro MTF (i.e. the multilateral trading facility operated by the Luxembourg Stock Exchange) as and when issued.

All decisions to subscribe for Shares should be made on the basis of the information contained in this Prospectus accompanied by the latest available audited annual report of the SICAV containing its audited accounts, and by the latest available semi-annual report, if later than such annual report.

The Shares are offered on the basis of the information and representations contained in this Prospectus and the Key Information Documents ("KID"). All other information given or representations made by any person must be regarded as unauthorised.

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

No action has been taken in order to authorise the distribution of the Shares or the distribution of this Prospectus in any country the laws of which require any such action. Consequently, this Prospectus cannot be distributed for the purpose of making any offering or solicitation of sales in any country and in any circumstance where such offer or solicitation is unauthorised.

In particular, the Shares have not been and will not be registered under the United States Securities Act of 1933 and, except in a transaction which does not violate such Act or any other applicable United States securities laws, may not be directly or indirectly offered or sold in the United States of America or to or for the benefit of a United States Person. For this purpose "United States Person" includes any citizen or resident of the United States of America (including any corporation, partnership or other entity organised in or under the laws of the United States of America or any political sub-division thereof) or any estate or trust, other than an estate or trust the income of which from sources outside the United States of America is not included in gross income for the purpose of computing United States federal income tax. As used herein, "United States of America" means the United States of America, its territories and possessions and all areas subject to its jurisdiction. The SICAV has not been and will not be registered under the United States Investment Company Act of 1940.

Shares will not be directly or indirectly offered or sold to Foreign Financial Institutions (FFI) (as defined by FATCA) which are not FATCA Withholding Exempt Entity. The Board of Directors of the SICAV or the Management Company (as Sponsored Entity of the SICAV) may discretionarily decide to compulsory redeem all shares from any FFI not FATCA Withholding Exempt Entity holding Shares of the SICAV, at any time. FATCA means Sections 1471 through 1474 of the US Internal Revenue Code. "FATCA Withholding Exempt Entity" means any entity other than a non-participating FFI as defined in FATCA.

Any information or representation given or made by any dealer, salesman or other person not contained herein or in the documents referred to herein should be regarded as unauthorised and should accordingly not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of the Shares shall under any circumstances constitute a representation that the information given in this Prospectus is correct as at any time subsequent to the date hereof. Consequently it is recommended to potential investors to inquire at the offices of the SICAV whether the SICAV has published a subsequent Prospectus.

The Directors of the SICAV have taken all reasonable care to ensure that the facts stated herein be correctly and fairly presented with respect to all questions of importance and that no important fact, the omission of which would make misleading any of the statements herein, be omitted. All the Directors accept responsibility accordingly.

All references in this Prospectus to "USD" relate to Dollars of the United States of America; to "EUR" relate to EURO, to "GBP" relate to British Pounds and "JPY" relate to the Japanese Yens.

The SICAV draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the SICAV, notably the right to participate in general shareholders' meetings, if the investor is registered himself and in his own name in the shareholders' register of the SICAV. In cases where an investor invests in the SICAV through an intermediary investing into the SICAV in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the SICAV. Investors are advised to take advice on their rights.

Prospective subscribers should inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restriction or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of Shares.

MARKET TIMING POLICY

The SICAV does not knowingly allow investments which are associated with market timing practices, as such practices may adversely affect the interests of all the shareholders of the SICAV (the "Shareholders").

As per the CSSF Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same undertaking for collective investment ("UCI") within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset value of the UCI.

Opportunities may arise for the market timer either if the net asset value (as defined on hereafter) of the UCI is calculated on the basis of market prices which are no longer up to date (stale prices) or if the UCI is already calculating the net asset value when it is still possible to issue orders.

Market timing practices are not acceptable as they may affect the performance of the UCI through an increase of the costs and/or entail a dilution of the profit.

Accordingly, the Directors may, whenever they deem it appropriate and at their sole discretion, cause the Administrative Agent, respectively, to implement any of the following measures:

- cause the Administrative Agent to reject any application for conversion and/or subscription of Shares from investors whom the former considers market timers;

- the Administrative Agent may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices;

- if a Sub-Fund is primarily invested in markets which are closed for business at the time the Sub-Fund is valued during periods of market volatility cause the Administrative Agent to allow for the net asset value per Share to be adjusted to reflect more accurately the fair value of the Sub-Fund's investments at the point of valuation.

SANTANDER SICAV
Société d'Investissement à Capital Variable
R.C.S. Luxembourg B 45.337

BOARD OF DIRECTORS:

Chairman

- Mr Carlo MONTAGNA
  43, Avenue John F. Kennedy
  L-1855 Luxembourg
  GRAND DUCHY OF LUXEMBOURG

Directors

- Mr Carlos DIAZ NÚÑEZ
  Global Head
  Retail Products & Customer Solutions
  Ciudad Grupo Santander
  28660 Boadilla del Monte, Madrid
  SPAIN

- Mr Stefan JOCHUM
  CEO Santander Asset Management S.A., S.G.I.I.C., (German Branch)
  Thurn-und-Taxis-Platz 6
  60313 Frankfurt am Main
  GERMANY

REGISTERED OFFICE:

6, route de Trèves
L-2633 Senningerberg
GRAND DUCHY OF LUXEMBOURG

MANAGEMENT COMPANY:

SANTANDER ASSET MANAGEMENT LUXEMBOURG S.A.
43, Avenue John F. Kennedy
L-1855 Luxembourg
GRAND DUCHY OF LUXEMBOURG

INVESTMENT MANAGERS:

- SANTANDER ASSET MANAGEMENT SGIIC S.A.
  Paseo de la Castellana, 24
  28006 Madrid
  SPAIN

  For the following Sub-Funds:
  - SANTANDER ACTIVE PORTFOLIO 1
  - SANTANDER ACTIVE PORTFOLIO 2
  - SANTANDER AM EURO EQUITY
  - SANTANDER CORPORATE COUPON
  - SANTANDER EUROPEAN DIVIDEND
  - SANTANDER AM EURO CORPORATE BOND

- SANTANDER AM LATIN AMERICAN FIXED INCOME
- SANTANDER COVERED BOND
- SANTANDER FUTURE WEALTH
- SANTANDER SELECT INCOME
- SANTANDER SELECT DEFENSIVE
- SANTANDER SELECT MODERATE
- SANTANDER SELECT DYNAMIC
- SANTANDER PROSPERITY
- SANTANDER TARGET MATURITY EURO II
- SANTANDER TARGET MATURITY EURO III
- SANTANDER TARGET MATURITY 2025 EURO
- SANTANDER TARGET MATURITY 2026 EURO
- SANTANDER TARGET MATURITY 2026 DOLLAR
- SANTANDER US EQUITY ESG
- SANTANDER AM LATIN AMERICAN EQUITY OPPORTUNITIES
- SANTANDER GLOBAL VOLATILITY
- SANTANDER US EQUITY HEDGED

➢ SANTANDER ASSET MANAGEMENT UK LIMITED
287, St. Vincent Street
Glasgow
G2 5NB
UNITED KINGDOM

For the following Sub-Funds:
- SANTANDER LATIN AMERICAN CORPORATE BOND
- SANTANDER MULTI INDEX SUBSTANCE
- SANTANDER MULTI INDEX BALANCE
- SANTANDER MULTI INDEX AMBITION
- SANTANDER MULTI INDEX INCOME
- SANTANDER LATIN AMERICAN INVESTMENT GRADE ESG BOND

➢ AMUNDI SGR S.p.A.
Via Cernaia 8/10
20121 Milan
ITALY

For the following Sub-Fund:
- SANTANDER GO ABSOLUTE RETURN

➢ RBC Global Asset Management (UK) Limited
4th Floor, 100 Bishopsgate
London, EC2N 4AA
UNITED KINGDOM

For the following Sub-Fund:
- SANTANDER GO GLOBAL HIGH YIELD BOND

➢ ROBECO INSTITUTIONAL ASSET MANAGEMENT B.V.
Weena 850
3014 DA Rotterdam
THE NETHERLANDS

For the following Sub-Fund:
- SANTANDER GO GLOBAL EQUITY ESG

- JPMORGAN ASSET MANAGEMENT (UK) LIMITED
  25 Bank Street
  Canary Wharf
  London
  E14 5JP
  UNITED KINGDOM

  For the following Sub-Fund:
  - SANTANDER GO SHORT DURATION DOLLAR

- MORGAN STANLEY INVESTMENT MANAGEMENT LIMITED
  25, Cabot Square
  Canary Wharf
  London
  E14 4QA
  UNITED KINGDOM

  For the following Sub-Fund:
  - SANTANDER GO NORTH AMERICAN EQUITY

- PIMCO EUROPE GMBH
  Seidlstrasse 24-24a
  Munich
  80335
  GERMANY

  For the following Sub-Fund:
  - SANTANDER GO DYNAMIC BOND

- SCHRODER INVESTMENT MANAGEMENT (HONG KONG) LIMITED
  Level 33, Two Pacific Place,
  88 Queensway, HONG KONG

  For the following Sub-Fund:
  - SANTANDER GO ASIAN EQUITY

ADMINISTRATIVE, REGISTRAR, CORPORATE & DOMICILIARY AGENT:

J.P. MORGAN SE, LUXEMBOURG BRANCH
6, route de Trèves
L-2633 Senningerberg
GRAND DUCHY OF LUXEMBOURG

DEPOSITARY & PAYING AGENT:

J.P. MORGAN SE, LUXEMBOURG BRANCH
6, route de Trèves
L-2633 Senningerberg
GRAND DUCHY OF LUXEMBOURG

MAIN NOMINEES:

ALLFUNDS BANK S.A.U
Calle de los Padres Dominicos, 7
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SPAIN

AUDITOR:

PRICEWATERHOUSECOOPERS, *Société coopérative*
2, Rue Gerhard Mercator
B.P. 1443
L-1014 Luxembourg
GRAND DUCHY OF LUXEMBOURG

LEGAL ADVISER:

ELVINGER HOSS PRUSSEN, *société anonyme*
2, Place Winston Churchill
L-1340 Luxembourg
GRAND DUCHY OF LUXEMBOURG

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PRINCIPAL FEATURES AND DEFINITIONS

The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Prospectus.

The SICAV:

SANTANDER SICAV is an investment company which has been organised under the Luxembourg law as a *société anonyme* qualifying as a *société d'investissement à capital v*ariable ("SICAV"). The SICAV comprises several Sub-Funds each of which may comprise one or more Classes of Shares.

The SICAV operates as an open-ended company. Its Shares may be sold, redeemed and converted at prices based on their respective net asset value ("NAV").

The investment activities of the SICAV are conducted under the responsibility of its board of directors (herein referred to as the "Board", the "Directors" or the "Board of Directors"). The SICAV however has appointed Santander Asset Management Luxembourg S.A. as its Management Company under the control and responsibility of the Board of Directors, in accordance with the Law.

Santander Asset Management Luxembourg S.A. has delegated the investment management under its responsibility to entities which are (in)directly wholly or partly owned by Banco Santander, mainly Santander Asset Management SGIIC S.A. and Santander Asset Management UK Limited (the "**Santander Asset Management Group**").

Santander Asset Management Luxembourg S.A. has also delegated the investment management under its responsibility to entities which are not owned by Banco Santander, namely Robeco Institutional Asset Management B.V., Amundi SGR S.p.A., JPMorgan Asset Management (UK) Limited, Morgan Stanley Investment Management Limited, PIMCO Europe GmbH, RBC Global Asset Management (UK) Limited and Schroder Investment Management (Hong Kong) Limited.

JPMorgan Asset Management (UK) Limited has in turn delegated certain of its investment management functions to J.P. Morgan Investment Management Inc.

Morgan Stanley Investment Management Limited has in turn delegated certain of its investment management functions to Morgan Stanley Investment Management Inc.

PIMCO Europe GmbH has in turn delegated certain of its investment management functions to Pacific Investment Management Company LLC.

RBC Global Asset Management (UK) Limited has in turn delegated certain of its investment management functions to RBC Global Asset Management (U.S.) Inc.

The Sub-Funds:

The SICAV offers investors, within the same investment entity, a choice of investment in one or more sub-funds (herein referred to as a "Sub-Fund" or "Sub-Funds", as appropriate). Each Sub-Fund is a separate portfolio of assets invested in accordance with a specific investment policy and objectives and/or which is distinguished by the currency in which it is denominated. The specifications as well as the investment policy and objectives of each Sub-Fund are described in the relevant Appendix to this Prospectus. Pursuant to the Articles of Incorporation, the Board of Directors may, at any time, decide to create additional Sub-Funds and, in such case, this Prospectus will be updated by adding corresponding Appendices.

Although the SICAV constitutes one single legal entity, the rights of investors and of creditors concerning a Sub-Fund or which have arisen in connection with the creation, operation or liquidation of a Sub-Fund are limited to the assets of that Sub-Fund.

The assets of a Sub-Fund are exclusively available to satisfy the rights of investors in relation to that Sub-Fund and the rights of creditors whose claims have arisen in connection with the creation, the operation or the liquidation of that Sub-Fund.

For the purpose of the relations between Shareholders, each Sub-Fund will be deemed to be a separate entity.

The Classes:

Pursuant to the articles of incorporation of the SICAV (the "Articles of Incorporation"), the Board of Directors may decide to issue, within each Sub-Fund, separate classes of Shares (hereinafter referred to as a "Class" or "Classes" as appropriate). The Classes of Shares currently issued by the SICAV may differ in sales and/or redemption charge structure, fee structure, investment management fee, currency, investment minimum, distribution policy, hedging policy, the investor targeted and the performance fee.

The Board of Directors may decide to issue within each Sub-Fund Classes in another currency than the Reference Currency provided in the Appendix of the relevant Sub-Fund and with the same characteristic as described below for Class A or AD or AK Shares, Class B or BD or BK Shares, Class C or CD Shares, Class D Shares, Class J Shares, Class I or ID or IK Shares, Class M or MD Shares, Class RK Shares, Class S or SD or SK Shares, Class V Shares and Class X Shares.

In case Classes are issued in another currency than the Reference Currency of the relevant Sub-Fund, the currency abbreviation mentioned below will be inserted in the relevant Class name.

Classes may be available in the following currencies (the "non-Reference Currencies"):

- EURO (abbreviated for this purpose E);
- Japanese Yen (abbreviated for this purpose J);
- US Dollar (abbreviated for this purpose U); and
- GBP (abbreviated for this purpose P).

Class V Shares are denominated in the relevant Sub-Fund's Reference Currency but offer hedged currency exposure to the Brazilian Real (abbreviated for this purpose BRL).

Where offered in a currency other than the relevant Sub-Fund's Reference Currency, the Share Class' currency may be hedged to the Reference Currency. The Share Class will be designated as such by the insertion of the abbreviation H in the relevant Class name.

These Share Classes will apply hedging techniques aimed to mitigate foreign exchange risk between the Reference Currency of the relevant Sub-Fund and the currency of the Share Class, while taking into account practical considerations including transaction costs. All expenses arising from hedging transactions are borne separately by the Shareholders of the relevant hedged Share Class.

Whilst holding Shares of hedged Share Classes may substantially protect the investor against losses due to unfavourable movements in the exchange rates of the Reference Currency of the Sub-Fund against the class currency of the hedged Share Classes, holding such Shares may also substantially limit the benefits of the investor in case of favourable movements. Investors should note that it will not be possible to always fully hedge the total net asset value of the hedged Share Classes against currency fluctuations of the Reference Currency of the Sub-Fund. The aim will be to hedge between 97.5% and 102.5% of the proportion of the net asset value attributable to a hedged Share Class. Changes in the value of the portfolio or the volume of subscriptions and redemptions may however lead to the level of

currency hedging temporarily surpassing the limits set out above. In such cases, the currency hedge will be adjusted without undue delay. The net asset value per Shares of the hedged Share Class does therefore not necessarily develop in the same way as that of the Classes of Shares in the Reference Currency of the Sub-Fund. It is not the intention of the Board of Directors to use the hedging arrangements to generate a further profit for the hedged Share Class.

Investors should also note that there is no legal segregation of liabilities between the individual Classes of Shares within a Sub-Fund. Hence, there is a risk that under certain circumstances, hedging transactions in relation to a hedged Share Class could result in liabilities affecting the net asset value of the other Classes of the same Sub-Fund. In such case assets of other Classes of such Sub-Fund may be used to cover the liabilities incurred by the hedged Share Class. An up-to-date list of the Classes with a contagion risk will be available upon request at the registered office of the SICAV.

Class RK, Class S, Class SD and Class SK Shares are designed as "clean" Classes. "Clean" means that the applicable management fee does not include commission payments such as, but not limited to, payments to distributors.

Unless otherwise provided in the Appendix relating to the relevant Sub-Fund, the terms and conditions applicable to the Classes available in any of these non-Reference Currencies are the same as those which apply for the same Classes offered in the Reference Currency.

Unless otherwise provided in the Appendix relating to the relevant Sub-Fund, the following terms and conditions currently apply:

- **Class A Shares** may only be acquired by investors subscribing for a minimum amount of EUR 500, USD 500 or GBP 1,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix.

- **Class AD Shares** may only be acquired by investors subscribing for a minimum amount of EUR 500, USD 500 or GBP 1,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. Class AD Shares aim to pay dividends to the shareholders owning such Class of Shares at least on a yearly basis. Dividend distribution frequency may however vary between the Sub-Funds.

- **Class AK Shares** may only be acquired by investors subscribing for a minimum amount of GBP 500 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. The Board of Directors intends to obtain certification from the United Kingdom's HM Revenue & Customs that the SICAV be considered as a reporting offshore fund ('UK reporting status') for this Class.

- **Class B Shares** may only be acquired by investors subscribing for a minimum amount of EUR 25,000 or USD 25,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix.

- **Class BD Shares** may only be acquired by investors subscribing for a minimum amount of EUR 25,000 or USD 25,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. Class BD Shares aim to pay dividends to the shareholders owning such Class of Shares.

- **Class BK Shares** may only be acquired by investors subscribing for a minimum amount of EUR 25,000 or USD 25,000 following the reference currency of the Sub-Fund or the equivalent amount in the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. The Board of Directors intends to obtain certification from the United Kingdom's HM Revenue & Customs that the SICAV be considered as a reporting offshore fund ('UK reporting status') for this Class.

- **Class C Shares** may only be acquired by investors subscribing for a minimum amount of EUR 300,000 or USD 300,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix.

- **Class CD Shares** may only be acquired by investors subscribing for a minimum amount of EUR 300,000 or USD 300,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. Class CD Shares aim to pay dividends to the shareholders owning such Class of Shares.

- **Class D Shares** may only be acquired by investors subscribing for a minimum amount of GBP 25,000 or USD 25,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. This Class D Share aims to pay dividends to the Shareholders owning such Class of Shares.

- **Class F Shares** may only be acquired by institutional investors within the meaning of Article 174 of the 2010 Law and as defined in the section "Risk Profile and Investor Profile" (hereinafter referred to as the "Institutional Investors"), and subscriptions will be possible for limited periods determined by the Board of Directors. This Class is launched with the intention of reaching an optimal size to make the relevant Sub-Fund efficient in the interest of its Shareholders. No minimum subscription amount is applicable to this Class, unless otherwise determined by the Board of Directors.

- **Class FD Shares** may only be acquired by institutional investors within the meaning of Article 174 of the 2010 Law and as defined in the section "Risk Profile and Investor Profile" (hereinafter referred to as the "Institutional Investors"), and subscriptions will be possible for limited periods determined by the Board of Directors. This Class is launched with the intention of reaching an optimal size to make the relevant Sub-Fund efficient in the interest of its Shareholders. No minimum subscription amount is applicable to this Class, unless otherwise determined by the Board of Directors. Class FD Shares aim to pay dividends to the shareholders owning such Class.

- **Class I Shares** may only be acquired by institutional investors within the meaning of Article 174 of the 2010 Law and as defined in the section "Risk Profile and Investor Profile" (hereinafter referred to as the "Institutional Investors") subscribing for a minimum amount of USD 500,000 or EUR 500,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix.

- **Class ID Shares** may only be acquired by Institutional Investors subscribing for a minimum amount of USD 500,000 or EUR 500,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. Class ID Shares aim to pay dividends to the shareholders owning such Class of Shares.

- **Class IK Shares** may only be acquired by Institutional Investors subscribing for a minimum amount of GBP 500,000 or EUR 500,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. The Board of Directors intends to obtain certification from the United Kingdom's HM Revenue & Customs that the SICAV be considered as a reporting offshore fund ('UK reporting status') for this Class.

- **Class J Shares** may only be acquired by Institutional Investors subscribing for a minimum amount of JPY 100,000,000.

- **Class L Shares** may only be acquired by institutional investors within the meaning of Article 174 of the 2010 Law and as defined in the section "Risk Profile and Investor Profile" (hereinafter referred to as the "Institutional Investors") subscribing for a minimum amount of USD 20,000,000 or EUR 20,000,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix.

- **Class LD Shares** may only be acquired by Institutional Investors subscribing for a minimum amount of USD 20,000,000 or EUR 20,000,000 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. Class LD Shares aim to pay dividends to the shareholders owning such Class of Shares.

- **Class M Shares** may only be acquired by Institutional Investors qualifying as feeder funds and authorised by the Board of Directors. No minimum subscription amount is applicable to this Share Class. The subscription currency will be EUR or USD following the reference currency of the Sub-Fund.

- **Class MD Shares** may only be acquired by Institutional Investors qualifying as feeder funds and authorised by the Board of Directors. No minimum subscription amount is applicable to this Share Class. The subscription currency will be EUR or USD following the reference currency of the Sub-Fund. Class MD Shares aim to pay dividends to the shareholders owning such Class of Shares.

- **Class RK Shares** may only be acquired by investors subscribing for a minimum amount of GBP 500 following the reference currency of the Sub-Fund or the currency of the relevant Class or the minimum amount specifically disclosed in the relevant Appendix. The Board of Directors intends to obtain certification from the United Kingdom's HM Revenue & Customs that the SICAV be considered as a reporting offshore fund ('UK reporting status') for this Class.

- **Class S Shares** are reserved for providers of independent advisory services or discretionary investment management services, or other distributors who: (i) provide investment services and activities as defined by Directive 2014/65/EU on markets in financial instruments ("MiFID II"); and ii) have separate fee arrangements with their clients in relation to those services and activities provided; and (iii) do not receive any other fee, rebate or payment payable out of the relevant Sub-Fund’s assets in relation to those services and activities.

- **Class SD Shares** are reserved for providers of independent advisory services or discretionary investment management services, or other distributors who: (i) provide investment services and activities as defined by Directive 2014/65/EU on markets in financial instruments ("MiFID II"); and ii) have separate fee arrangements with their clients in relation to those services and activities provided; and (iii) do not receive any other fee, rebate or payment payable out of the relevant Sub-Fund’s assets in relation to those services and activities. SD Shares aim to pay dividends to the Shareholders owning such Class of Shares.

- **Class SK Shares** are reserved for providers of independent advisory services or discretionary investment management services, or other distributors who: (i) provide investment services and activities as defined by Directive 2014/65/EU on markets in financial instruments ("MiFID II"); and ii) have separate fee arrangements with their clients in relation to those services and activities provided; and (iii) do not receive any other fee, rebate or payment payable out of the relevant Sub-Fund’s assets in relation to those services and activities. The Board of Directors intends to obtain certification from the United Kingdom's HM Revenue & Customs that the SICAV be considered as a reporting offshore fund ('UK reporting status') for this Class.

- **Class V Shares** may only be acquired by Institutional Investors qualifying as feeder funds established in Brazil and authorized by the Board of Directors. No minimum subscription amount is applicable to this Share Class. It seeks to systematically convert the value of its net assets to BRL via the use of derivatives including non-deliverable forwards. As BRL is a restricted currency, the Class V Shares cannot be denominated in BRL but instead will be denominated in the Reference Currency of the relevant Sub-Fund. Due to the use of currency derivatives, the NAV per Share will fluctuate in line with the fluctuations in exchange rates between the BRL and the Reference Currency of the Sub-Fund. The effects of this will be reflected in the performance of the Share Class which therefore may differ significantly from the performance of other Share Classes within the Sub-Fund. Any profit or loss as well as costs and expenses resulting from these transactions will be reflected exclusively in the NAV of this Share Class.

- **Class X Shares** may only be acquired by Santander Asset Management Group entities and their affiliates at any time and authorized by the Board of Directors. No minimum subscription amount is applicable to this Share Class.

Available Sub-Funds and Classes:

The availability of any Class detailed above may differ from Sub-Fund to Sub-Fund. The management fees applicable to a Class may differ from Sub-Fund to Sub-Fund. A complete list of Classes offered within each Sub-Fund may be obtained online at www.santanderassetmanagement.lu, from the registered office of the Fund or from the Administrative Agent upon request.

OBJECTIVES, RISK WARNINGS, RISK PROFILE, INVESTOR PROFILE AND INVESTMENT RESTRICTIONS

Objectives:

The SICAV aims to provide investors with a choice of Sub-Funds, invested in the principal types of securities, equities and bonds of the world encompassing the strategies of capital conservation and growth and in accordance with the principle of risk-spreading. This will enable investors to choose which Sub-Fund is best suited to their individual requirements.

The SICAV will, with the assistance of the Management Company, apply an active management strategy, by varying the weighting of the portfolios in different durations, sector markets and currencies as may be appropriate to the SICAV.

It is possible for Shareholders to convert their investments between Sub-Funds when individual market conditions so recommend.

The assets of the SICAV are subject to market fluctuations and, accordingly, it should be emphasised that the price of Shares in any of the Sub-Funds can vary.

The individual Sub-Funds are described in the respective Appendices attached to this Prospectus.

The SICAV shall comply with the limits and restrictions set forth under the headline "Investment Restrictions" of this Prospectus.

The SICAV may furthermore employ techniques and instruments for the purpose of efficient portfolio management and/or as a matter of hedging strategies, all as set forth under the headline "Techniques and Instruments" of this Prospectus.

The Board of Directors has determined the investment policy and objective of each of the Sub-Funds as described in their respective Appendix to this Prospectus. There can be no assurance that the objective for any Sub-Fund will be attained.

Risk Warnings:

The investments of each Sub-Fund are subject to market fluctuations and the risks inherent in investments in transferable securities and other Eligible Assets (as defined hereinafter). There is no guarantee that the investment-return objective will eventually be achieved. There is no guarantee that investors will see the unit value increase. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial investments.

The risks inherent to the different Sub-Funds depend on their investment objective, i.e. among others the markets invested in, the investments held in portfolio, etc. Shareholders should be aware of the risks inherent to the following securities or instruments, although this list is in no way exhaustive:

a) Market risk

Market risk is the general risk attendant to all investments that the value of a particular investment will change in a way detrimental to a portfolio's interest.

Market risk is specifically high on investments in shares (and similar equity instruments). The risk that one or more companies will suffer a downturn or fail to increase their financial profits can have a negative impact on the performance of the overall portfolio at a given moment.

b) Interest rate risk

Interest rate risk involves the risk that when interest rates decline, the market value of fixed-income securities tends to increase. Conversely, when interest rates increase, the market value of fixed-income securities tends to decline. Long-term fixed-income securities will normally have more price volatility because of this risk than short-term fixed-income securities. A rise in interest rates generally can be expected to depress the value of the Sub-Funds' investments. The Sub-Funds shall be actively managed to mitigate market risk, but it is not guaranteed to be able to accomplish its objective at any given period.

c) Credit risk

Credit risk involves the risk that an issuer of a bond (or similar money-market instruments) held by the Sub-Funds may default on its obligations to pay interest and repay principal and the Sub-Funds will not recover their investment.

d) Currency risk

Currency risk involves the risk that the value of an investment denominated in currencies other than the reference currency of a Sub-Fund may be affected favourably or unfavourably by fluctuations in currency rates.

e) Operational risk

The SICAV's operations (including investment management, distribution and collateral management) are carried out by several service providers. The SICAV and/or the Management Company follow a due diligence process in selecting service providers. Nevertheless, operational risk can occur and have a negative effect on the SICAV's operations, and it can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts. In the event of a bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

f) Liquidity risk

Liquidity risk exists when particular investments are difficult to purchase or sell. A Sub-Fund's investment in illiquid securities may reduce the returns of the Sub-Fund because it may be unable to sell the illiquid securities at an advantageous time or price. Investments in foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk.

g) Business, legal and tax risks

In some jurisdictions the interpretation and implementation of laws and regulations and the enforcement of shareholders’ rights under such laws and regulations may involve significant uncertainties. Furthermore, there may be differences between accounting and auditing standards, reporting practices and disclosure requirements and those generally accepted internationally. Some of the Sub-Funds may be subject to withholding and other taxes. Tax law and regulations of any jurisdiction are frequently reviewed and may be changed at any time, in certain cases with retrospective effect. The interpretation and applicability of tax law and regulations by tax authorities in some jurisdictions are not consistent and transparent and may vary from jurisdiction to jurisdiction and/or region to region. Any change in taxation legislation could affect the value of the investments held by and the performance of the Sub-Fund.

h) Anti-Tax Avoidance Directives

The EU has adopted the Anti-Tax Avoidance Directive ("ATAD 1") that addresses many of the items of the OECD's base erosion and profit shifting ("BEPS") project, including among others hybrid mismatch rules, interest deduction limitation, controlled foreign companies rules and a principal purpose test. Luxembourg implemented the ATAD 1 into its national law as of December 21, 2018, and as with all other EU Member States, must apply those provisions as of January 1, 2019. On February 21, 2017, the Economic and Financial Affairs Council of the EU reached political agreement on amendments to ATAD 1 to neutralize hybrid mismatch structures involving non-EU countries ("ATAD 2"). While ATAD 1 contains rules combatting certain hybrid mismatches between EU Member States, ATAD 2 extends the scope to (i) a variety of other mismatches between EU Member States and (ii) mismatches between EU Member States and third countries. ATAD 2 provisions had to be implemented into domestic law by January 1, 2020.

Ultimately, the effects of ATAD 1 and ATAD 2 may potentially lead to additional taxes being imposed on the SICAV (directly or indirectly on any entities the SICAV is invested in), affecting the value of the Investments held by Shareholders in the SICAV.

Prospective investors should consult their professional advisor on the individual impact of ATAD 1 and ATAD 2.

i) Multilateral Instrument

At international level, the "Multilateral Convention to Implement Tax Treaty Related Measures to prevent Base Erosion and Profit Shifting" ("MLI") was published by the OECD on November 24, 2016. The aim of the MLI is to update international tax rules and lessen the opportunity for tax avoidance by transposing the results from the BEPS project into more than 2,000 double tax treaties worldwide. Various jurisdictions (including Luxembourg) have signed the MLI. The ratification process of Luxembourg has been achieved through the law of March 7, 2019 and the deposit of the ratification instrument with the OECD on April 9, 2019. As consequences, the MLI entered into force on August 1, 2019. Its application per double tax treaty concluded with Luxembourg will depend on the ratification by the other contracting state and on the type of tax concerned. Subsequent changes in tax treaties negotiated by Luxembourg incurred by the MLI could adversely affect the returns from the SICAV to its Shareholders.

j) Risks associated with the use of structured securities

Structured securities are subject to the risks associated with the underlying investments and may be subject to greater volatility than direct investments in the underlying investments. Structured securities may entail the risks of loss of principal.

k) Risks associated with the use of warrants

The gearing effect of investments in warrants and the volatility of warrant prices make the risks attached to investments in warrants higher than in the case of investment in equities. Because of the volatility of warrants, the volatility of the unit price of any Sub-Fund investing in warrants may potentially increase. Investment in any Sub-Fund investing into warrants is therefore only suitable for investors willing to accept such increased risk.

l) Risks associated with the use of financial derivative instruments

The Sub-Funds may engage, within the limits established in their respective investment policy and the legal investment restrictions, in various portfolio strategies involving the use of derivative instruments for hedging, efficient portfolio management purposes or as part of the investment policy.

The use of such derivative instruments may or may not achieve its intended objective and involves additional risks inherent to these instruments and techniques.

In case of a hedging purpose of such transactions, the existence of a direct link between them and the assets to be hedged is necessary, which means in principle that the volume of deals made in a given currency or market cannot exceed the total value of the assets denominated in that currency, invested in this market or the term for which the portfolio assets are held. In principle no additional market risks are inflicted by such operations. The additional risks are therefore limited to the derivative specific risks.

In case of a trading purpose of such transactions, the assets held in portfolio will not necessarily secure the derivative. In essence the Sub-Funds are therefore exposed to additional market risk in case of option writing or short forward/future positions (i.e. underlying needs to be provided/purchased at exercise/maturity of contract).

m) Collateral management risk

Counterparty risk arising from investments in OTC financial derivative instruments and securities lending transactions (where permitted), repurchase agreements and buy-sell back transactions (where permitted) is generally mitigated by the transfer or pledge of collateral in favour of a Sub-Fund. However, transactions may not be fully collateralised. Fees and returns due to the Sub-Fund may not be collateralised. If a counterparty defaults, the Sub-Fund may need to sell non-cash collateral received at prevailing market prices. In such a case the Sub-Fund could realise a loss due, inter alia, to inaccurate pricing or monitoring of the collateral, adverse market movements, deterioration in the credit rating of issuers of the collateral or illiquidity of the market on which the collateral is traded. Difficulties in selling collateral may delay or restrict the ability of the Sub-Fund to meet redemption requests.

A Sub-Fund may also incur a loss in reinvesting cash collateral received, where permitted. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Sub-Fund to the counterparty as required by the terms of the transaction. The Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Sub-Fund. This may have an impact on the relevant Sub-Fund's performance.

n) Counterparty risk

The SICAV conducts transactions through or with brokers, clearing houses, market counterparties and other agents. The SICAV will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A Sub-Fund may invest in instruments such as notes, bonds or warrants the performance of which is linked to a market or investment to which the Sub-Fund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the Sub-Fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

Default by the counterparty of a swap (or by any other issuer) may lower a Sub-Fund's net asset value. Under the current rules, however, the counterparty risk resulting from the use of swaps will be limited to 10% of the Sub-Fund's net assets per counterparty at any time. The Sub-Fund may also be exposed to trading difficulties or a temporary inability to trade certain securities in which the Sub-Fund invests, in the event of a counterparty defaulting on total return swaps.

o) Custody risk

Assets of the SICAV are safe kept by the Depositary and investors are exposed to the risk of the Depositary not being able to fully meet its obligation to restitute in a short time frame all of the assets of the SICAV in the case of bankruptcy of the Depositary. The assets of the SICAV will be identified in the Depositary's books as belonging to the SICAV. Securities held by the Depositary will be segregated from other assets of the Depositary which mitigates but does not exclude the risk of non-restitution in case of bankruptcy. However, no such segregation applies to cash which increases the risk of non-restitution in case of bankruptcy. The Depositary does not keep all the assets of the SICAV itself but uses a network of sub-custodians which may not be part of the same group of companies as the Depositary. Investors are exposed to the risk of bankruptcy of the sub-custodians in the same manner as they are to the risk of bankruptcy of the Depositary.

A Sub-Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Sub-Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Depositary will have no liability.

p) Risks associated with the investment in Mortgage-Backed Securities (MBS) and Asset-Backed Securities (ABS)

In general, ABS and MBS are debt securities with interest and capital payments backed by a pool of financial assets such as mortgages and loans, with collateral backing often provided by physical assets such as residential or commercial property. Some ABS is supported by unsecured loan cash flows without physical asset backing. ABS and MBS securities may become less liquid and/or volatile in certain circumstances.

MBS generally refers to mortgage securities issued by US government-sponsored enterprises such as the Federal Mortgage Association (Fannie Mae) or the Federal Home Loan Mortgage Corporation (Freddie Mac). It may also include non-agency MBS, which refer to MBS that are not issued by government-sponsored enterprises.

ABS usually refers to privately sponsored asset backed securities. The main categories are Residential Mortgage Backed Securities (RMBS), Commercial Mortgage Backed Securities (CMBS), Collateralised Loan Obligations (CLO) and Consumer ABS (for example credit cards, auto loans and student debt). In a typical ABS deal, the securities are separated into tranches which have different rights. The senior tranches usually receive the loan repayments first and the junior tranches absorb the first losses. To compensate for the higher capital risk, the junior holders are paid a higher rate of interest than the senior note holders.

RMBS represent interests in pools of residential mortgage loans secured by the underlying residential property. Some loans may be prepaid at any time. The collateral underlying CMBS generally consists of mortgage loans secured by income-producing property, such as shopping centres, office buildings, industrial or warehouse properties, hotels, rental apartments, nursing homes, senior living centres and self-storage properties.

The investment characteristics of MBS and ABS differ from traditional debt securities. The major difference is that the principal is often paid in stages and may be fully repaid at any time because of the terms of the underlying loans. This variability in timing of cash flows makes estimates of future asset yield and weighted average life uncertain.

The broad ABS market also includes synthetic Collateralised Debt Obligations (CDO). These usually have shorter maturities, typically five years, and are referenced to debt obligations or other structured finance securities.

Credit Risk refers to the likelihood that a Sub-Fund could lose money if an issuer is unable to meet its financial obligations, such as the payment of principal and/or interest on an instrument, or goes bankrupt. The Sub-Fund may invest a portion of its assets in mortgage- or asset-backed securities which are not guaranteed by the U.S. Government, which may make this Sub-Fund subject to substantial credit risk. This is especially true during periods of economic uncertainty or during economic downturns.

Interest Rate Risk refers to the possibility that the value of a Sub-Fund's portfolio investments may fall since fixed income securities generally fall in value when interest rate rise. The longer the term of a fixed income instrument, the more sensitive it will be to fluctuations in value from interest rate changes. Changes in interest rates may have a significant effect on this Sub-Fund, because it may hold securities with long terms to maturity and mortgage- or asset-backed securities, including collateral's mortgage obligations, and stripped mortgage securities. Its holdings of mortgage-backed securities can reduce returns if the owners of the underlying mortgages pay off their mortgages sooner than anticipated when interest rates go down. Sub-Funds which invest in mortgage-backed securities may be subject to extension risk and prepayment risk, which are both a type of interest rate risk.

Extension Risk refers to the possibility that rising interest rates may cause owners of the underlying mortgages or assets to pay off their mortgages or assets at a slower than expected rate. This particular risk may effectively change a security which was considered short or intermediate term into a long-term security. Long-term securities generally drop in value more dramatically in response to rising interest rates than short or intermediate-term securities.

Prepayment Risk refers to the possibility that falling interest rates may cause owners of the underlying mortgages or assets to pay off their mortgages or assets at a faster than expected rate. This tends to reduce returns since the Sub-Funds prepaid will have to be reinvested at the then lower prevailing rates.

Liquidity Risk refers to the possibility that a Sub-Fund may lose money or to be prevented from earning capital gains if it cannot sell a security at the time and price that is most beneficial to this Sub-Fund. Because mortgage- or asset-backed securities may be less liquid than other securities, this Sub-Fund may be more susceptible to liquidity risks than funds that invest in other securities.

Furthermore, the Sub-Funds incur specific derivative risks amplified by the leverage structure of such products (e.g. volatility of underlying, counterparty risk in case of OTC, market liquidity, etc.).

Subordinated Risk refers to the fact that investments in subordinated ABS involve greater risk of default and loss than the senior classes of the issue or series. ABS deals are structured into tranches such that holders of the most junior securities absorb losses before more senior tranches. When losses have been absorbed by the most junior tranche, the next most junior tranche will absorb subsequent losses. Investors in junior tranches can carry high capital risk and may face a complete loss.

Capital Value Risk refers to the fact that the rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those arising in the property location, the borrower's equity in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process, and may involve significant expenses. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited.

Most commercial mortgage loans underlying MBS are full recourse obligations of the borrower which is usually a Special Purpose Vehicle (SPV). If borrowers are not able or willing to refinance or dispose of encumbered property to pay the principal and interest owed on such mortgage loans, payments on the subordinated classes of the related MBS are likely to be adversely affected. The ultimate extent of the loss, if any, to the subordinated classes of MBS may only be determined after a negotiated discounted settlement, restructuring or sale of the mortgage note, or the foreclosure (or deed in lieu of foreclosure) of the mortgage encumbering the property and subsequent liquidation of the property. Foreclosure can be costly and delayed by litigation and/or bankruptcy. Factors such as the property's location, the legal status of title to the property, its physical condition and financial performance, environmental risks, and governmental disclosure requirements with respect to the condition of the property may make a third party unwilling to purchase the property at a foreclosure sale or to pay a price sufficient to satisfy the obligations with respect to the related MBS. Revenues from the assets underlying such MBS may be retained by the borrower and the return on investment may be used to make payments to others, maintain insurance coverage, pay taxes or pay maintenance costs. Such diverted revenue is generally not recoverable without a court appointed receiver to control collateral cash flow.

Where a loan originator has assigned specific loans to an ABS structure and the originator has faced financial difficulties, creditors of the originator have sometimes challenged the validity of the assigned loans. Such challenges can weaken the asset backing for ABS securities.

Economic Risk refers to the fact that the value of the real estate which underlies mortgage loans is subject to market conditions.

Performance of a commercial mortgage loan depends primarily on the net income generated by the underlying mortgaged property. The market value of a commercial property similarly depends on its income-generating ability. As a result, income generation will affect both the likelihood of default and the severity of losses with respect to a commercial mortgage loan. Any decrease in income or value of the commercial real estate underlying an issue of CMBS could result in cash flow delays and losses on the related issue of CMBS.

Changes in the real estate market may adversely affect the value of the collateral and thereby lower the value to be derived from a liquidation. In addition, adverse changes in the real estate market increase the probability of default, as the incentive of the borrower to retain equity in the property declines.

Re-financing Risk refers to the fact that mortgage loans on commercial and residential properties often are structured so that a substantial portion of the loan principal is not amortised over the loan term but is payable at maturity and repayment of the loan principal thus often depends upon the future availability of real estate financing from the existing or an alternative lender and/or upon the current value and saleability of the real estate. Therefore, the unavailability of real estate financing may lead to default.

q) Risks associated to convertible securities and contingent convertible bonds

Convertible securities are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. Convertible securities generally (i) have higher yields than common stocks, but lower yields than comparable securities that do not have the conversion feature, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock).

A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Sub-Fund.

A Contingent Convertible Security is subject to certain predetermined conditions which, if triggered (commonly known as "trigger events"), will likely cause the principal amount invested to be lost on a permanent or temporary basis, or the Contingent Convertible Security may be converted to equity, potentially at a discounted price. Coupon payments on Contingent Convertible Securities are discretionary and may also be cancelled by the issuer. Trigger events can vary but these could include the capital ratio of the issuing company falling below a certain level or the share price of the issuer falling to a particular level for a certain period of time. In addition, investment in contingent convertible bonds may entail the following risks (non-exhaustive list):

- Capital structure inversion risk: contrary to classical capital hierarchy, contingent convertible bonds' investors may suffer a loss of capital when equity holders do not;

- Trigger level risk: trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Investment Manager of the relevant Sub-Fund to anticipate the triggering events that would require the debt to convert into equity;

- Conversion risk: it might be difficult for the Investment Manager of the relevant Sub-Fund to assess how the securities will behave upon conversion. In case of conversion into equity, the Investment Manager might be forced to sell these new equity shares because of the investment policy of the sub-fund does not allow equity in its portfolio. This forced sale may itself lead to liquidity issue for these shares;

- Coupon cancellation: for some contingent convertible bonds, coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time;

- Call extension risk: some contingent convertible bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority;

- Unknown risk: the structure of contingent convertible bonds is innovative yet untested;

- Valuation and Write-down risks: the value of contingent convertible bonds may need to be reduced due to a higher risk of overvaluation of such asset class on the relevant eligible markets. Therefore, a Sub-Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment; or

- Industry concentration risk: investment in contingent convertible bonds may lead to an increased industry concentration risk as such securities are issued by a limited number of banks.

r) Risks associated with swap transactions

To the extent that a Sub-Fund enters into a swap transaction (which may include a total return swap), investors should be aware that in a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realised on particular pre-determined investments or instruments.

Swaps contracts can be individually traded and structured to include exposure to different types of investments or market factors. Depending on their structure, these swap operations can increase or decrease the exposure of a Sub-Fund to strategies, shares, short- or long-term interest rates, foreign currency values, borrowing rates or other factors. Swaps can be of different forms, and are known under different names; they can increase or decrease the overall volatility of a Sub-Fund, depending on how they are used. The main factor that determines the performance of a swap contract is the movement in the price of the underlying investment, specific interest rates, currencies and other factors used to calculate the payment due by and to the counterparty. If a swap contract requires payment by a Sub-Fund, the latter must at all times be able to honour said payment. Moreover, if the counterparty loses its creditworthiness, the value of the swap contract entered into with this counterparty can be expected to fall, entailing potential losses for a Sub-Fund.

Swap transactions are subject to the risk that the swap counterparty may default on its obligations. If such a default were to occur the Sub-Funds would, however, have contractual remedies pursuant to the relevant OTC swap transaction. Investors should be aware that such remedies may be subject to bankruptcy and insolvency laws which could affect a Sub-Fund's rights as a creditor and as a result a Sub-Fund may for example not receive the net amount of payments that it contractually is entitled to receive on termination of the OTC swap transaction where the swap counterparty is insolvent or otherwise unable to pay the amount due. The net counterparty risk exposure each Sub-Fund may have with respect to a single swap counterparty, expressed as a percentage (the "Percentage Exposure") (i) is calculated by reference to this Sub-Fund's Net Asset Value, (ii) may take into account certain mitigating techniques (such as remittance of collateral) and (iii) cannot exceed 5% or 10% depending on the status of the swap counterparty, in accordance with and pursuant to the applicable regulations. Investors should nevertheless be aware that the actual loss suffered as a result of the swap counterparty's default may exceed the amount equal to the product of the Percentage Exposure multiplied by the Net Asset Value, even where arrangements have been taken to reduce the Percentage Exposure to nil. As a matter of illustration, there is a risk that the realised value of collateral received by a Sub-Fund may prove less than the value of the same collateral which was taken into account as an element to calculate the Percentage Exposure, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral or the illiquidity of the market in which the collateral is traded. Any potential investor should therefore understand and evaluate the swap counterparty credit risk prior to making any investment.

A Sub-Fund may utilise total return swaps to, *inter alia*, replicate the exposure of an index or to swap the performance of one or more instruments into a stream of fixed or variable rate cash-flows. In such cases, the counterparty to the transaction will be a counterparty approved and monitored by the Management Company. At no time will a counterparty in a transaction have discretion over the composition or the management of the Sub-Fund's investment portfolio or over the underlying asset of the total return swap.

Due to the various counterparties, there is a potential risk of conflict of interests when the SICAV enters into total return swaps. The Management Company and relevant Investment Manager respectively have appropriate policies in place in order to deal with such potential conflict of interests (where relevant).

s) Risks associated with share class currency hedging

Some share classes of certain Sub-Funds may undertake share class hedging. The aim of this hedging is to reduce the exchange rate fluctuations between the Reference Currency of the Sub-Fund and the currency of the share class. However, there is no guarantee that these fluctuations will be entirely eliminated. Hedging transactions (e.g. currency swaps, forward foreign exchange contracts etc.) will be entered into regardless of whether the currency of the hedged Share Class is declining or increasing in value relative to the Reference Currency of the Sub-Fund.

The costs and any gains or losses associated with Share Class currency hedging will accrue solely to the Share Class to which it relates.

It should be noted that the hedging strategy employed may not fully eliminate the exposure of Share Classes expressed in another currency than the Reference Currency to currency movements.

t) Risks associated with Brexit

On 23 June 2016 the United Kingdom (the "UK") voted to leave the European Union (the "EU") in a referendum (the "UK Referendum"). At the date of this Prospectus both the terms and the timing of the UK's exit from the EU as well as the nature of the relationship of the UK with the remaining Member States (the "EU27") are unclear.

Following the UK Referendum, the EU has entered into a period of political uncertainty both as to the nature and timing of the negotiations with the UK and how relationships, strategy and direction within the EU27 may progress going forward. Such uncertainty could lead to a high degree of economic and market disruption and uncertainty. It is not possible to ascertain how long this period will last and the impact it will have within the EU markets, including market value and liquidity, for securities in particular. Such conditions could have a material adverse effect on the business, financial condition, results of operations and prospects of the SICAV, the Investment Manager and other transaction parties.

u) Risks associated with repurchase agreement transactions

Repurchase transaction means a transaction governed by an agreement by which a counterparty transfers securities, commodities, or guaranteed rights relating to title to securities or commodities where that guarantee is issued by a recognised exchange which holds the rights to the securities or commodities and the agreement does not allow a counterparty to transfer or pledge a particular security or commodity to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities or commodities of the same description at a specified price on a future date specified, or to be specified, by the transferor,

being a repurchase agreement for the counterparty selling the securities or commodities and a reverse repurchase agreement for the counterparty buying them.

The principal risk when engaging in repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honor its obligations to return securities or cash to the Sub-Funds as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favor of the relevant Sub-Fund. However repurchase or reverse repurchase transactions may not be fully collateralized. Fees and returns due to the relevant Sub-Fund under repurchase or reverse repurchase transactions may not be collateralized. In addition, the value of collateral may decline in between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the relevant Sub-Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the relevant Sub-Fund.

The Sub-Funds may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the relevant Sub-Fund to the counterparty as required by the terms of the transaction. The relevant Sub-Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to such Sub-Fund.

Repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

The Sub-Funds may enter into repurchase or reverse repurchase transactions with other companies in the same group of companies as the Management Company. Affiliated counterparties, if any, will perform their obligations under any repurchase or reverse repurchase transactions concluded with any Sub-Fund in a commercially reasonable manner. In addition, the Management Company will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the Sub-Funds and their investors. However, investors should be aware that the Management Company may face conflicts between its role and its own interests or that of affiliated counterparties.

v) Risks associated with Alternative Investments

Investors should note that a Sub-Fund may invest in Alternative Investments, when disclosed in its investment policy. Alternative Investments which may be targeted by Investment Managers include, but are not restricted to, convertible bonds, absolute return funds, commodity funds, funds with exposure to real estate and/or REITs, hedge fund strategies, insurance linked bond funds and non-listed companies. Exposure to the above assets will be obtained through financial derivative instruments and/or funds.

Alternative Investments may suit investors prepared to accept a higher degree of risk, looking for diversification of investment opportunities and potentially high returns.

w) ESG risk

ESG (environmental, social and governance) information from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there is a risk that the Management Company or the Investment Manager may incorrectly assess a security or issuer, resulting in the incorrect inclusion or exclusion of a security in the portfolio of a Sub-Fund.

x) Sustainability risks

The Sub-Funds' investments may be subject to sustainability risks. Sustainability risks are environmental, social or governance events or conditions that, if they occur, could cause an actual or a potential material negative impact on the value of the Sub-Funds' investments and include environmental risks (e.g. exposure to climate change physical and transition risks), social risks (e.g. (in)equality, health, inclusiveness, labour relations, etc.) and governance risks (e.g. lack of oversight of material sustainability topics, or lack of appropriate business ethics policies and procedures). These sustainability risks may impact investments by manifesting themselves on the financial risks of the portfolios' underlyings, such as market risk (e.g. due to reduced demand for products and services due to shifts in consumer preferences), operational risk (e.g. due to an increase in operating costs) and litigation risks. These risks could consequently reduce revenues, capital availability, and cause repricing/impairment of assets which may have an impact in credit, liquidity and funding risks.

The Management Company's integration of sustainability risks in the investment decision-making process is reflected in its Sustainable and Responsible Investment policy. This policy defines the sustainable and responsible investment approach of the Management Company and defines the criteria considered in the integration of Environmental, Social and Governance (ESG) criteria in the investment process. This policy is complemented with the Management Company's Voting Policy and Engagement Policy. More information on the ESG policies may be obtained from www.santanderassetmanagement.lu.

Unless otherwise indicated in the Appendices of the Sub-Funds, the Sub-Funds do not promote environmental or social characteristics, and do not have as objective sustainable investment (as provided by Articles 8 or 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR")). Unless otherwise indicated in the Appendices of the Sub Fund, the Sub-Funds do not have a specific ESG approach or have a sustainable investment objective and therefore the sustainability risks they may be subject to could have a material impact on the value of their investments in the medium to long term.

In this sense, the Management Company continuously monitors its policies and procedures, and the sustainability risks of the investments, verifying the potential impact of those risks on the sustainability profile of the assets in the portfolios of the Sub-Funds. In case of identifying relevant negative impacts on the sustainability profile of the Sub-Funds, a review will be carried out to identify the potential impact to the performance, and to review the investment process to identify weaknesses.

Unless otherwise indicated in the Appendices of the Sub-Funds or the pre-contractual disclosures for each Sub-Fund in Annex I to the Prospectus, the Management Company and the Investment Managers consider the principal adverse impacts of investment decisions on sustainability factors in accordance with their own methodology and indicators. Each Sub-Fund that has environmental and/or social characteristics or has the objective of sustainable investment discloses whether it considers principal adverse impacts on sustainability factors and how in the pre-contractual disclosures for each Sub-Fund in Annex I to the Prospectus.

For each Sub-Fund that has environmental and/or social characteristics (within the meaning of Article 8 SFDR) or sustainable investments as its objective (within the meaning of Article 9 SFDR) relevant information is available in the pre-contractual disclosures in Annex I of this Prospectus.

The main adverse impacts are considered as described in the Management Company's statement on principal adverse impacts of investment decisions on sustainability factors, which is available on www.santanderassetmanagement.lu.

For the purposes of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment ("Taxonomy Regulation"), the Sub-Funds' investments do not take into account the EU criteria for environmentally sustainable economic activities. For further information in respect of each Sub-

Fund that has environmental and/or social characteristics or has the objective of sustainable investment please see the relevant sections of the pre-contractual disclosures for each Sub-Fund in Annex I to the Prospectus.

Important Note: Investing in less developed or emerging markets

Investors should note that certain of the Sub-Funds may invest in less developed or emerging markets over Latin America, Asia and Eastern Europe as described in the relevant Appendix for such Sub-Funds. In making investments in emerging markets securities, a Sub-Fund emphasises countries with relatively low gross national product per capita and with the potential for rapid economic growth.

Additional risks of emerging markets securities may include greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organised and small; differences in accounting, auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition, emerging securities markets may have different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions. The investments of the Sub-Funds in such markets may be considered speculative and subject to significant delays in settlement. Investments in these markets will only be made where a minimum liquidity is assured. Certain financial markets, while generally growing in volume, have, for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. So that the risk of significant fluctuations in the net asset value in those Sub-Funds is higher than for Sub-Funds investing in major world markets. The assets of Sub-Funds investing in such markets, as well as the income derived from these Sub-Funds, may also be affected unfavourably by fluctuations in currency rates and exchange controls and tax regulations, and consequently the net asset value of Shares of these Sub-Funds may be subject to significant volatility.

The emerging countries targeted may include countries of the former communist bloc, including Russia. Investments in these countries may involve specific political, economic and financial risks, resulting in a strong influence on the liquidity of the investments made. Moreover, such investments are exposed to additional risks which are difficult to calculate and which would not be associated with investments in OECD countries or other emerging countries.

Investments in some emerging countries and, in particular, some countries of the former communist bloc are also exposed to higher risks in respect of the possession and custody of securities. Ownership of companies is for the most part determined by registration in the books of the SICAV or its registrar (who is not, however, an agent of the depositary nor liable to the latter). Certificates evidencing the ownership of companies are frequently not held by the depositary, any of its correspondents or an efficient central depository. As a result and due to lack of efficient regulation by government bodies, the SICAV may lose the possession of or the registration of shares in companies through fraud, serious faults or negligence. Debt instruments involve a higher custody risk as, in accordance with market practice, such paper is held by local institutions which are not, however, always sufficiently insured against loss, theft, destruction or insolvency while holding the assets.

The Moscow Exchange MICEX – RTS can be considered as Regulated Market as defined below. Accordingly, the 10% limit generally applicable to securities which are listed or traded on markets in Russia will not apply to investments in securities listed or traded on the Moscow Exchange MICEX – RTS. However, the above risk warnings regarding investments in Russia will continue to apply to all investments in Russia.

Investors should consult a professional adviser as to the suitability for them of an investment in any Sub-Fund and in particular any Sub-Fund investing in less developed or emerging markets. Subscriptions to Sub-Funds investing in such markets should be considered only by investors who are aware of and able to bear, the risks related thereto and such investments should be made on a long-term basis.

- **Risks associated with investing in Russian securities**

Although investment in Russian securities does not constitute the principal investment focus of a Sub-Fund, it could invest a portion of its assets in securities of issuers located in Russia. In addition to the risks disclosed above, investments in securities of Russian issuers may involve a particularly high degree of risk and special considerations not typically associated with investing in more developed markets, many of which stem from Russia's continuing political and economic instability and the slow-paced development of its market economy. In particular, investments in Russia are subject to the risk that non-Russian countries may impose economic sanctions, which may impact companies in many sectors, including energy, financial services and defence, among others, which may negatively impact the Sub-Fund's performance and/or ability to achieve its investment objective. For example, certain investments may become illiquid (e.g. in the event that the Sub-Fund is prohibited from transacting in certain investments tied to Russia), which could cause the Sub-Fund to sell other portfolio holdings at a disadvantageous time or price in order to meet Shareholder redemptions. It is also possible that such sanctions may prevent non-Russian entities that provide services to the Sub-Fund from transacting with Russian entities.

Under such circumstances, the Sub-Fund may not receive payments due with respect to certain investments, such as the payments due in connection with the fixed income securities. More generally, investments in Russian securities should be considered highly speculative. Such risks and special considerations include: (a) delays in settling portfolio transactions and the risk of loss arising out of Russia's system of securities registration and custody; (b) pervasiveness of corruption, insider trading, and crime in the Russian economic system; (c) difficulties associated in obtaining accurate market valuations of many Russian securities, based partly on the limited amount of publicly available information; (d) the general financial condition of Russian companies, which may involve particularly large amounts of inter-company debt; (e) the risk that the Russian tax system will not be reformed to prevent inconsistent, retroactive and/or exorbitant taxation or, in the alternative, the risk that a reformed tax system may result in the inconsistent and unpredictable enforcement of the new tax laws (f) the risk that the government of Russia or other executive or legislative bodies may decide not to continue to support the economic reform programs implemented since the dissolution of the Soviet Union (g) the lack of corporate governance provisions applying in Russia generally, and (h) the lack of any rules or regulations relating to investor protection.

Russian securities are issued in book-entry form, with ownership recorded in a share register held by the issuer's registrar. Transfers are effected by entries to the books of registrars. Transferees of securities have no proprietary rights in respect those securities until their name appears in the register of securities holder of the issuer. The law and practice relating to registration of shareholdings are not well developed in Russia and registration delays and failures to register securities can occur. In common with other emerging markets, Russia has no central source for the issuance or publication of corporate actions information. The Depositary therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.

- **Risks associated with investing in Chinese securities**

Although investment in Chinese securities does not constitute the principal investment focus of a Sub-Fund, it could invest a portion of its assets in securities of issuers located in the People's Republic of China ("PRC"). In addition to the risks disclosed above, investments in securities of Chinese issuers may involve a particularly high degree of risk and special considerations not typically associated with

investing in more developed markets. These additional risks include (without limitation): (a) inefficiencies resulting from erratic growth; (b) the unavailability of consistently-reliable economic data; (c) potentially high rates of inflation; (d) dependence on exports and international trade; (e) relatively high levels of asset price volatility, suspension risk and difficulties in settlement of securities; (f) small market / outstanding capitalization outstanding and less liquidity; (g) greater competition from regional economies; (h) fluctuations in currency exchange rates, particularly in light of the relative lack of currency hedging instruments and controls on the ability to exchange local currency for U.S. dollars or other currencies; (i) the relatively small size and absence of operating history of many Chinese companies; (j) the developing nature of the legal and regulatory framework for securities markets, custody arrangements and commerce; and (k) uncertainty with respect to the commitment of the government of the PRC to economic reforms and development of the Qualified Foreign Investor ("QFI") program, pursuant to which the Sub-Fund may invest in the PRC and which regulates repatriation and currency conversion. In addition, there is a lower level of regulation and enforcement activity in these securities markets compared to more developed international markets. These could potentially be a lack of consistency in interpreting and applying the relevant regulations and a risk that the regulators may impose immediate or rapid changes to existing laws or introduce new laws, rules, regulations or policies without any prior consultation with or notice to market participates which may severely restrict a Sub-Fund's ability to pursue its investment objectives or strategies. There also exists control on foreign investment in China and limitations on repatriation of invest capital. Under the QFI program, there are certain regulatory restrictions particularly on aspects including (without limitation to) investment scope, investment quota, repatriation of funds, foreign shareholding limit and account structure. As a result of PRC regulatory requirements, the Sub-Fund may be limited in its ability to invest in securities or instruments tied to the PRC and/or may be required to liquidate its holdings in securities or instruments tied to the PRC. Under certain instances, such liquidations may result in losses for a Sub-Fund. In addition, securities exchanges in the PRC typically have the right to suspend or limit trading in any security traded on the relevant exchange. The PRC government or relevant PRC regulators may also implement policies that may adversely affect the PRC financial markets. Such suspensions, limitations or policies may have a negative impact on the performance of a Sub-Fund's investments.

Although the PRC has experienced a relatively stable political environment in recent years, there is no guarantee that such stability will be maintained in the future. As an emerging market, many factors may affect such stability – such as increasing gaps between the rich and poor or agrarian unrest and instability of existing political structures – and may result in adverse consequences to the Sub-Fund investing in securities and instruments economically tied to the PRC. Political uncertainty, military intervention and political corruption could reverse favorable trends toward market and economic reform, privatisation and removal of trade barriers, and could result in significant disruption to securities markets. The PRC is dominated by the one-party rule of the Communist Party. Investments in the PRC are subject to risks associated with greater governmental control over and involvement in the economy. The PRC manages its currency at artificial levels relative to the U.S. dollar rather than at levels determined by the market. This type of system can lead to sudden and large adjustments in the currency, which, in turn, can have a disruptive and negative effect on foreign investors. The PRC also may restrict the free conversion of its currency into foreign currencies. Currency repatriation restrictions may have the effect of making securities and instruments tied to the PRC relatively illiquid, particularly in connection with redemption requests. In addition, the government of the PRC exercises significant control over economic growth through direct and heavy involvement in resource allocation and monetary policy, control over payment of foreign currency denominated obligations and provision of preferential treatment to particular industries and/or companies. Economic reform programs in the PRC have contributed to growth, but there is no guarantee that such reforms will continue. Natural disasters such as droughts, floods, earthquakes and tsunamis have plagued the PRC in the past, and the region's economy may be affected by such environmental events in the future. Therefore, the Sub-Fund is subject to the risk of such events. In addition, the relationship between the PRC and Taiwan is particularly sensitive, and hostilities between the PRC and Taiwan may present a risk to a Sub-Fund's investments in the PRC. The application of tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect a Sub-Fund's investment in the PRC. Investors should be aware that their investments may be adversely affected by changes in Chinese tax law and regulations, which

may apply with retrospective effect and which are constantly in a state of flux and will change constantly over time.

- **Risks relating to the China Interbank Bond Market (the "CIBM")**

The CIBM is an OTC market established in 1997. Currently, more than 95% of CNY bond trading activity takes place in the CIBM, and the main products traded in this market include government bonds, central bank papers, policy bank bonds and corporate bonds.

The CIBM is in a stage of development and the market capitalisation and trading volume may be lower than those of the more developed markets. Market volatility and potential lack of liquidity due to low trading volume may result in prices of debt securities traded on such market fluctuating significantly. The Sub-Fund investing in such market is therefore subject to liquidity and volatility risks and may suffer losses in trading Mainland China bonds. The bid and offer spreads of the prices of the Mainland China bonds may be large, and the relevant Sub-Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that the Sub-Fund transacts in the CIBM in Mainland China, the Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the Sub-Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

The CIBM is also subject to regulatory risks. Due to irregularities in the CIBM trading activities, the China Government Securities Depository Trust & Clearing Co. (the central clearing entity) suspended new account opening on the CIBM for specific types of products. Although investment funds that are mutual funds offered to the public were not affected, there is no assurance that future regulatory actions will not affect such funds. If accounts are suspended, or cannot be opened, the Sub-Fund's ability to invest in the CIBM will be limited and it may suffer substantial losses as a result.

- **China Bond Connect**

Some Sub-Funds can, in accordance with their investment policy, invest in the CIBM via the Bond Connect.

The Bond Connect is an initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre (“CFETS”), China Central Depositary & Clearing Co., Ltd, Shanghai Clearing House, Hong Kong Exchanges and Clearing Limited and Central Moneymarkets Unit.

Under the prevailing regulations in Mainland China, eligible foreign investors will be allowed to invest in the bonds circulated in the CIBM through the northbound trading of the Bond Connect (“Northbound Trading Link”). There will be no investment quota for the Northbound Trading Link.

Pursuant to the prevailing regulations in mainland China an offshore custody agent recognised by the Hong Kong Monetary Authority (currently, the Central Moneymarkets Unit) shall open omnibus nominee accounts with the onshore custody agent recognised by the People’s Bank of China (currently recognised onshore custody agents are the China Securities Depository & Clearing Co., Ltd and Interbank Clearing Company Limited). All bonds traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such bonds as a nominee owner.

Because the Central Moneymarkets Unit is only a nominee holder and not the beneficial owner of the securities, in the unlikely event that the Central Moneymarkets Unit becomes subject to winding up proceedings in Hong Kong, investors should note that securities will not be regarded as part of the

general assets of the Central Moneymarkets Unit available for distribution to creditors even under the PRC law. However, the Central Moneymarkets Unit will not be obliged to take any legal action or enter into court proceedings to enforce any rights on behalf of investors in securities in the PRC. A failure or delay by the Central Moneymarkets Unit in the performance of its obligations may result in a failure of settlement, or the loss, of securities and/or monies in connection with them and the relevant Sub-Funds and its Investors may suffer losses as a result. Neither the Sub-Funds nor the Investment Manager shall be responsible or liable for any such losses.

For investments via the Bond Connect, the relevant filings, registration with the People's Bank of China and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the Sub-Funds are subject to the risks of default or errors on the part of such third parties.

Trading in securities via Bond Connect may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities / make payment, the Sub-Fund may suffer delays in recovering its losses or may not be able to fully recover its losses. Investing in the CIBM via the Bond Connect is also subject to regulatory risks. The relevant rules and regulations on these regimes are subject to change which may have potential retrospective effect. If the relevant mainland Chinese authorities suspend account opening or trading on the CIBM, the Sub-Funds' ability to invest in the CIBM will be adversely affected. In such event, the Sub- Sub-Funds' ability to achieve its investment objective will be negatively affected.

- **Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect**

All Sub-Funds which can invest in China may invest in China A-Shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect programmes (the "Stock Connect") subject to any applicable regulatory limits. The Stock Connect is a securities trading and clearing linked programme developed by The Stock Exchange of Hong Kong Limited ("SEHK"), the Hong Kong Securities Clearing Company Limited ("HKSCC"), Shanghai Stock Exchange or Shenzhen Stock Exchange, and China Securities Depository and Clearing Corporation Limited ("ChinaClear") with an aim to achieve mutual stock market access between mainland China and Hong Kong. The Stock Connect allows foreign investors to trade certain Shanghai Stock Exchange or Shenzhen Stock Exchanges listed China A-Shares through their Hong Kong based brokers.

The Sub-Funds seeking to invest in the domestic securities markets of the PRC may use the Stock Connect, in addition to the QFI scheme and, thus, are subject to the following additional risks:

General Risk: The relevant regulations are untested and subject to change. There is no certainty as to how they will be applied which could adversely affect the Sub-Funds. The Stock Connect requires use of new information technology systems which may be subject to operational risk due to its cross-border nature. If the relevant systems fail to function properly, trading in Hong Kong and Shanghai/Shenzhen markets through Stock Connect could be disrupted.

Clearing and Settlement Risk: The HKSCC and ChinaClear have established the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Legal/Beneficial Ownership: Where securities are held in custody on a cross-border basis, there are specific legal/beneficial ownership risks linked to compulsory requirements of the local Central Securities Depositaries, HKSCC and ChinaClear.

As in other emerging and less developed markets, the legislative framework is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in securities. In addition, HKSCC, as nominee holder, does not guarantee the title to Stock Connect securities held through it and is under no obligation to enforce title or other rights associated with ownership on behalf of beneficial owners. Consequently, the courts may consider that any nominee or custodian as registered holder of Stock Connect securities would have full ownership thereof, and that those Stock Connect securities would form part of the pool of assets of such entity available for distribution to creditors of such entities and/or that a beneficial owner may have no rights whatsoever in respect thereof. Consequently the Sub-Funds and the Depositary cannot ensure that the Sub-Funds ownership of these securities or title thereto is assured.

To the extent that HKSCC is deemed to be performing safekeeping functions with respect to assets held through it, it should be noted that the Depositary and the Sub-Funds will have no legal relationship with HKSCC and no direct legal recourse against HKSCC in the event that the Sub-Funds suffer losses resulting from the performance or insolvency of HKSCC.

In the event ChinaClear defaults, HKSCC's liabilities under its market contracts with clearing participants will be limited to assisting clearing participants with claims. HKSCC will act in good faith to seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or the liquidation of ChinaClear. In this event, the Sub-Funds may not fully recover its losses or its Stock Connect securities and the process of recovery could also be delayed.

Operational Risk: The HKSCC provides clearing, settlement, nominee functions and other related services of the trades executed by Hong Kong market participants. PRC regulations which include certain restrictions on selling and buying will apply to all market participants. In the case of sale, pre-delivery of shares are required to the broker, increasing counterparty risk. Because of such requirements, the Sub-Funds may not be able to purchase and/or dispose of holdings of China A-Shares in a timely manner.
Quota Limitations: The Stock Connect is subject to quota limitations which may restrict the Sub-Funds ability to invest in China A-Shares through the Stock Connect on a timely basis.

Investor Compensation: The Sub-Funds will not benefit from local investor compensation schemes. Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. There may be occasions when it is a normal trading day for the PRC market but the Sub-Funds cannot carry out any China A-Shares trading. The Sub-Funds may be subject to risks of price fluctuations in China A-Shares during the time when Stock Connect is not trading as a result.

Investment Risk: securities traded via Shenzhen-Hong Kong Stock Connect may be smaller companies.

- **Taxes associated with investing in mainland China**

Income and gains derived from trading China A-Shares

The Ministry of Finance of the PRC, the State of Administration of Taxation of the PRC and the CSRC jointly issued circulars in relation to the taxation rules on the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect under Circular Caishui 2014 No.81 ("Circular 81") and Circular Caishui 2016 No. 127 ("Circular 127") on 14 November 2014 and 1 December 2016 respectively. Under

Circular 81 and Circular 127, corporate income tax, individual income tax and business tax will be temporarily exempted on gains derived by overseas investors on the trading of China A-Shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect with effect from 17 November 2014 and 5 December 2016 respectively. However, overseas investors are required to pay withholding income tax (WIT) on dividends and/or bonus shares at the rate of 10% which will be withheld and paid to the relevant in-charge PRC tax authorities by the listed companies. Dividends from China A-Shares are not within the charging scope of Value-Added Tax (VAT).

Interest income from bonds / debt securities issued in mainland China

On 22 November 2018, the Ministry of Finance ("MOF") and State Taxation Administration ("STA") of the PRC jointly issued circular Caishui 2018 No. 108 ("Circular 108") to address the tax issues in relation to bond interest income received by foreign institutional investors from investments in the PRC bond market. Under Circular 108, non-PRC tax residents without a permanent establishment (PE) in the PRC (or having a PE in the PRC but the income so derived in the PRC is not effectively connected with such PE), bond interest income received from 7 November 2018 to 6 November 2021 will be temporarily exempt from WIT and VAT. This is regardless of whether the non-PRC tax residents invest in the PRC bond market through QFI and/or Bond Connect. Circular 108 did not specify the WIT and VAT treatments on income received by non-PRC tax residents from investment in other fixed income securities (such as asset-backed securities, certificates of deposits, etc.).

Gains derived from trading bonds / debt securities issued in mainland China

The PRC tax authorities have verbally indicated, on numerous occasions, that capital gains realised by non-PRC tax residents from the disposal of PRC debt securities are considered non-PRC sourced income and hence not subject to PRC WIT. There is no specific written tax regulation to confirm this but, in practice, the PRC tax authorities have not actively enforced the collection of PRC WIT on gains realised by non-PRC tax residents from the disposal of PRC debt securities.

VAT treatment of gains derived from trading securities in China

Gains realised from the trading of marketable securities in the PRC are generally subject to VAT at 6%; however, various Circulars issued by the authorities provide for exemptions from VAT for non-PRC tax residents investing via QFI, the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and/or Bond Connect.

Risk Profile and Investor Profile:

Different risk and investor profiles have been allocated to the different Sub-Funds. Please refer to the respective Appendices for a further description of the risk and investor profile of each Sub-Fund.

Institutional Investors within the meaning of Article 174(2) of the Law of 2010 or as defined by guidelines or recommendations issued by the CSSF from time to time should comprise:

a) credit institutions;
b) other professionals of the financial sector (PFS);
c) insurance and reinsurance companies;
d) social security institutions and pension funds, charitable institutions;
e) industrial, commercial and financial group companies, all subscribing on their own behalf, and the structures which such institutional investors put into place for the management of their own assets;
f) credit institutions and other professionals of the financial sector investing in their own name but on behalf of institutional investors as defined above;

g) collective investment undertakings in Luxembourg or abroad;
h) a government institution;
i) holding companies or similar entities, whether Luxembourg-based or not, whose shareholders are institutional investors as described in the foregoing;

Investment Restrictions:

The Board of Directors of the SICAV shall, based upon the principle of spreading risks, have power to determine the corporate and investment policy for the investments and the course of conduct of the management and business affairs of each Sub-Fund of the SICAV.

Eligible Assets:

Whilst the SICAV has broad powers under its Articles of Incorporation as to the type of investments it may take and the investment methods it may adopt, the Board of Directors has resolved that the SICAV may only invest in:

- *Transferable securities and money market instruments*

a) transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("Regulated Market");

b) transferable securities and money market instruments dealt in on another regulated market in a Member State (as defined in the Law of 2010) (a "Member State") which is regulated, operates regularly and is recognised and open to the public;

c) transferable securities and money market instruments admitted to official listing on a stock exchange in a non-Member State or dealt in on another regulated market in a non-Member State which is regulated, operates regularly and is recognised and open to the public;

d) recently issued transferable securities and money market instruments, provided that:

- the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognised and open to the public;

- the admission is secured within one year of issue;

e) money market instruments other than those dealt in on a regulated market, which are liquid and whose value can be determined with precision at any time, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third country (as defined in the 2010 Law) or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or

- issued by an undertaking any securities of which are dealt in on regulated markets referred to above in sub-paragraphs a), b) or c), or

- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law or by an establishment which is subject to

and complies with prudential rules considered by the Luxembourg supervisory authority to be at least as stringent as those laid down by EU law, or

- issued by other bodies belonging to the categories approved by the Luxembourg supervisory authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indents and provided that the issuer is a company whose capital and reserves amount to at least ten million euro (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the Fourth Directive 78/660/EEC[1], is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

▪ *Units of undertakings for collective investment*

f) units of UCITS authorised according to Directive 2009/65/EC and/or other UCIs within the meaning of Article 1, paragraph (2), points a) and b) of the Directive 2009/65/EC, whether or not established in a Member State, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Luxembourg supervisory authority to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured;

- the level of protection for unit holders in such other UCIs is equivalent to that provided for holders in a UCITS, and, in particular, that the rules on asset segregation, borrowing, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the Directive 2009/65/EC;

- the business of the other UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;

- no more than 10% of the assets of the UCITS or of the other UCIs whose acquisition is contemplated, can, according to their management regulations or instruments of incorporation, be invested in aggregate in units of other UCITS or other UCIs.

No subscription or redemption fees may be charged on account of the Sub-Funds' investment in the units of other UCITS and/or other UCI, if investments are done in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same management company or by any other company to which the SICAV is linked by common management or control or by a substantial direct or indirect holding.

In respect of a Sub-Fund's investments in UCITS and other UCIs, the total management fee (excluding any performance fee, if any) charged to such Sub-Fund itself and the other UCITS and/or other UCIs concerned shall not exceed 3.5% of the relevant assets. The SICAV will indicate in its annual report the total management fees charged both to the relevant Sub-Fund and to the UCITS and other UCIs in which such Sub-Fund has invested during the relevant period.

▪ *Deposits with credit institutions*

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[1] Directive repealed and replaced by Directive 2013/34/EU.

g) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State, or if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the Luxembourg supervisory authority as equivalent to those laid down in EU law.

- *Financial derivative instruments*

h) financial derivative instruments including equivalent cash-settled instruments which are dealt in on a regulated market mentioned above in sub-paragraphs a), b) and c), and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

- the underlying assets consist of instruments described in sub-paragraphs a) to g) above, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Funds may invest in, in accordance with their investment policies;

- the counterparties to OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the Luxembourg supervisory authority; and

- the OTC derivatives are subject to a reliable and verifiable valuation on a daily basis and can be disposed of, turned into cash or evened up through an offsetting transaction at any time at their fair value at the SICAV's initiative.

- *Other investments and liquid assets*

Each Sub-Fund may:

- invest no more than 10% of its assets in transferable securities and money market instruments other than those referred to above; and

- hold ancillary liquid assets.

Investment Restrictions applicable to Eligible Assets:

The following limits are applicable to the eligible assets mentioned under the section "**Eligible Assets**" above:

- *Transferable securities and money market instruments*

(1) A Sub-Fund may invest no more than 10% of its net assets in transferable securities or money market instruments issued by the same issuer.

(2) Moreover, where a Sub-Fund holds investments in transferable securities and money market instruments of any issuing body which by issuer exceed 5% of its net assets, the total of all such investments must not account for more than 40% of the total net assets of such Sub-Fund. This limit does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

(3) The limit of 10% laid down in sub-paragraph (1) is raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by a third country or by public international bodies to which one or more Member States are members and such securities need not be included in the calculation of the limit of 40% stated above in sub-paragraph (2).

(4) Notwithstanding the above limits, each Sub-Fund may invest, in accordance with the principle of risk-spreading, up to 100% of the net assets of each Sub-Fund in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, by any other member state of the Organization for Economic Cooperation and Development (OECD) or by a public international bodies of which one or more Member State(s) are member(s), by Singapore or by any member state of the G20 provided that (i) such securities are part of at least 6 different issues and (ii) the securities from any one issue do not account for more than 30% of the net assets of the relevant Sub-Fund.

(5) The limit of 10% laid down in sub-paragraph (1) is raised to a maximum of 25% for covered bond as defined under article 3, point 1 of Directive (EU) 2019/2162 of the European Parliament and of the Council of 27 November 2019 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU, and for certain debt securities if they are issued before 8 July 2022 by a credit institution whose registered office is situated in a Member State and which is subject by law to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities issued before 8 July 2022 must be invested, in conformity with the law, in assets which, during the whole period of validity of the debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interests. When a Sub-Fund invests more than 5% of its net assets in such debt securities issued by any one issuer, the total value of such investments may not exceed 80% of its net assets.

(6) Without prejudice to the limit laid down in sub-paragraph (13), the limits of 10% laid down in sub-paragraph (1) above is raised to maximum 20% for investment in shares and/or debt securities issued by the same body when the aim of the investment policy of a given Sub-Fund is to replicate the composition of a certain stock or debt securities index which is recognised by the Luxembourg supervisory authority, on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- the index is published in an appropriate manner.

This limit is 35% where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in sub-paragraph (6) need not be included in the calculation of the 40% limit mentioned in sub-paragraph (2).

▪ *Units of undertakings for collective investment*

(7) Any Sub-Fund may not invest, in aggregate, more than 10% of its net assets in UCITS and/or other UCIs, unless otherwise stated in the investment policy of the Sub-Funds as more detailed in the respective Appendices of this prospectus. In that latter case, the relevant Sub-Fund may be authorized to invest more than 10% of its net assets in UCITS and/or other UCIs provided however that:

- no more than 20% of its net assets are invested in a single UCITS or other UCI. For the purposes of applying this investment limit, each sub-fund of a UCITS or UCI with multiple sub-funds within the meaning of Article 181 of the Law of 2010 is to be considered as a separate issuer, provided that the principle of segregation of commitments of the different sub-funds is ensured in relation to third parties.

- investments in other UCIs may not exceed, in aggregate, 30% of the Sub-Fund's net assets.

In case that any Sub-Fund invests in shares/units of a UCITS and/or other UCIs, the investments made by these UCITS and/or other UCIs should not be considered for the application of the investment restrictions (1) to (5) of this Section "**Investment Restrictions applicable to Eligible Assets".**

▪ *Deposits with credit institutions*

(8) A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body.

▪ *Financial derivative instruments*

(9) The risk exposure to a counterparty of the SICAV in an OTC derivative transaction may not exceed 10% of the net assets of a Sub-Fund when the counterparty is a credit institution referred to in Section **"Eligible Assets"**, sub-paragraph g), or 5% of its assets in the other cases.

In addition, each Sub-Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net asset value of its portfolio.

The global exposure of the underlying assets shall not exceed the investment limits laid down under sub-paragraphs (1), (2), (3), (5), (8), (9), (10) and (11). The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs (1), (2), (3), (5), (8), (9), (10) and (11).

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above-mentioned restrictions.

The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

▪ *Maximum exposure to a single body*

(10) A Sub-Fund may not combine where this would lead to investment of more than 20% of its net assets in a single body, any of the following:

(i) investments in transferable securities or money market instruments issued by the same body and subject to the 10% limit by body mentioned in sub-paragraph (1), and/or

(ii) deposits made with the same body and subject to the 20% limit mentioned in sub-paragraph (8), and/or

(iii) exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (9)

in excess of 20% of its net assets.

A Sub-Fund may not combine:

(i) investments in transferable securities or money market instruments issued by a single body and subject to the 35% limit by body mentioned under sub-paragraph (3) above, and/or

(ii) investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in sub-paragraph (5), and/or

(iii) deposits made with the same body and subject to the 20% limit mentioned in sub-paragraph (8), and/or

(iv) exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (9) in excess of 35% of its net assets.

- *Eligible Assets issued by the same Group*

(11) Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with the Directive 83/349/EEC[1] or in accordance with recognised international accounting rules are regarded as a single body for the purpose of calculating the limits described under the sub-paragraphs (1), (2), (3), (5), (8), (9) and (10) above.

(12) A Sub-Fund may invest in aggregate up to 20% of its net assets in transferable securities and/or money market instruments within the same group.

- *Acquisition Limits by Issuer of Eligible Assets*

(13) The SICAV may not:

(i) acquire any shares carrying voting rights, which would enable it to exercise significant influence over the management of the issuing body (all sub-funds thereof combined);

(ii) own more than 10% of the non-voting rights of any issuer (all sub-funds thereof combined);

(iii) own more than 10% of the debt securities of any issuer (all sub-funds thereof combined);

(iv) own more than 10% of the money market instruments of any issuer (all sub-funds thereof combined);

(v) own more than 25% of the units of the same UCITS or other UCIs (all sub-funds thereof combined).

The limits laid down in the third, fourth and fifth indents above may be disregarded at the time of acquisition if at that time the gross amount of debt securities or of money market instruments, or of UCITS/UCIs or the net amount of the securities in issue, cannot be calculated.

The ceilings as set forth above are waived in respect of:

a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;

b) transferable securities and money market instruments issued or guaranteed by a non-member state of the European Union;

c) transferable securities and money market instruments issued by public international bodies of which one or more Member States are member;

[1] Directive repealed and replaced by Directive 2013/34/EU.

d) shares held in the capital of a company incorporated in a non-Member State provided that (i) such company invests its assets mainly in securities by issuers of that State, (ii) pursuant to the law of that State, such holding represents the only possible way to purchase securities of issuers of that State and (iii) such company observes in its investment policy the restrictions referred to in this Prospectus.

If the limits referred to under section "**Investment Restrictions applicable to Eligible Assets**" are exceeded for reasons beyond the control of the SICAV or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

While ensuring observance of the principle of risk-spreading, the SICAV may derogate from the limits laid down in section "**Investment Restrictions applicable to Eligible Assets**" for a period of six months following the date of its authorisation.

- *Liquid Assets*

The SICAV may hold ancillary liquid assets. Liquid assets used to back-up derivatives exposure are not considered as ancillary liquid assets. Each Sub-Fund will not invest more than 20% of its net assets in cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be increased, if justified in the interest of the investors.

- *Unauthorized Investments*

The SICAV may not:

(i) make investments in, or enter into transactions involving precious metals or certificates representing them, commodities, commodities contracts or certificates representing commodities. This restriction shall however not prevent the SICAV from investing in eligible financial derivative instruments on commodities indices or on indices based on financial derivatives on commodities within the limits referred to above;

(ii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to under section "ELIGIBLE ASSETS", letters e), f) and h); provided that this restriction shall not prevent the SICAV from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above;

(iii) grant loans or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial instruments which are not fully paid and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;

(iv) borrow for the account of any Sub-Fund amounts in excess of 10% of the total net assets of that Sub-Fund, any borrowing to be effected only as a temporary measure for extraordinary purposes including the redemption of units. However, it may acquire for any Sub-Fund foreign currency by means of a back-to-back loan.

The SICAV may from time to time, impose further investment restrictions in order to meet the requirements in such countries, where the shares are distributed respectively will be distributed.

- *Master-Feeder structures*

Under the conditions and within the limits laid down by the Law, the SICAV may, to the widest extent permitted by Luxembourg laws and regulations (i) create any Sub-Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Sub-Fund into a Feeder UCITS or Master UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS. A Feeder UCITS may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with the provisions under the heading "Eligible Assets" above;

- financial derivative instruments, which may be used only for hedging purposes.

For the purposes of compliance with the Article 42 (3) of the Law below, the Feeder UCITS shall calculate its global exposure relating to financial derivative instruments by combining its own direct exposure under the second indent of the preceding paragraph with either:

- the Master UCITS' actual exposure to financial derivative instruments in proportion to the Feeder UCITS' investment into the Master UCITS; or

- the Master UCITS' potential maximum global exposure to financial derivative instruments provided for in the Master UCITS' management regulations or instruments of incorporation in proportion to the Feeder UCITS' investment into the Master UCITS.

- *Investments in Sub-Funds*

A Sub-fund (the "Investing Sub-Fund") may subscribe, acquire and/or hold securities to be issued by one or more Sub-funds (each, a "Target Sub-Fund") without the SICAV being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

a) the Target Sub-Fund does not, in turn, invest in the Investing Sub-Fund invested in this Target Sub-Fund; and

b) no more than 10% of the assets than the Target Sub-Fund whose acquisition is contemplated may, according to its investment policy, be invested in units of other UCITS or UCIs; and

c) the Investing Sub-Fund may not invest more than 20% of its net assets in units of a single Target Sub-Fund; and

d) voting rights, if any, attaching to the Shares of the Target Sub-Fund are suspended for as long as they are held by the Investing Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and

e) for as long as these securities are held by the Investing Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the SICAV for the purposes of verifying the minimum threshold of the net assets imposed by the Law.

Techniques and Instruments:

- *Financial Derivative Instruments*

With a view to hedge investment positions or for efficient portfolio management or as a part of the investment strategy, the SICAV may, in the context of the overall investment policy and within the limits of the investment restrictions, conduct certain operations involving the use of all financial derivative instruments authorised by the Luxembourg Law or by Circulars issued by the Luxembourg supervisory authority, including, but not limited to, (i) put and call options on securities, indexes and currencies, including OTC options; (ii) futures on stock market indexes and interest rates and options on them; (iii) structured products, for which the security is linked to or derives its value from another security; (iv) warrants; and (v) enter into swap transactions, including interest rate swaps, currency swaps, credit swaps and equity swaps.

When a Sub-Fund invests in total return swaps or in other financial derivative instruments with similar characteristics, information relating to the underlying assets and strategy and to the relevant counterparties shall be described in the relevant Sub-fund Appendix.

When a Sub-Fund invests in financial derivative instruments related to an index, information on the index and its rebalancing frequency shall be disclosed in the relevant Sub-Fund, by way of reference to the website of the index sponsor as appropriate.

The SICAV will ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio. The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The SICAV may invest, as a part of its investment policy and within the limit laid down in the investment restriction, in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in sub-paragraphs (1), (2), (3), (5), (8), (9), (10) and (11) of Section "**Investment Restrictions applicable to Eligible Assets above**".
In case these operations make use of derivatives, a risk management process has to be applied to the operations and instruments used.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the risk measurement of the risk management process.

- *Repurchase agreements and total return swaps*

To the maximum extent allowed by, and within the limits set forth in the Law of 2010 as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, in particular the provisions of (i) Article 11 of the Grand-Ducal regulation of 8 February 2008 relating to certain definitions of the amended Luxembourg Law of 20 December 2002 on undertakings for collective investment and of (ii) CSSF Circular 08/356 relating to the rules applicable to undertakings for collective investments when they use certain techniques and instruments relating to transferable securities and money market instruments and CSSF Circular 14/592 relating to the ESMA guidelines on ETFs and other UCITS issues (as these pieces of regulations may be amended or replaced from time to time), each Sub-Fund may for the purpose of generating additional capital or income (by receiving any interest, fees and rebates due related to the loan) with an acceptably low level of risk enter, either as purchaser or seller, into optional as well as non-optional repurchase transactions.

A total return swap is a derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference obligation to another counterparty.

Unless otherwise expressly provided in a Sub-Fund's Appendix, the investment policy of the Sub-Funds does not provide for the possibility to enter into securities financing transactions (i.e. repurchase transaction, securities or commodities lending and securities or commodities borrowing, buy-sell back transaction or sell-buy back transaction and margin lending transaction) and to invest in total return swaps, as covered by Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012.

Total return swaps entered into by a Sub-Fund may be in the form of funded and/or unfunded swaps. An unfunded swap means a swap where no upfront payment is made by the total return receiver at inception. A funded swap means a swap where the total return receiver pays an upfront amount in return for the total return of the reference asset and can therefore be costlier due to the upfront payment requirement.

When a Sub-Fund may invest in total return swaps, unless otherwise expressly provided in a Sub-Fund's Appendix, the underlying could include: (a) financial indices of, equity, UCITS and other UCIs, credit risk, interest rate, exchange rate, dividends, inflation, raw materials and volatility (on listed shares, stock market indices, interest rates or exchange rates) and (b) baskets of variable income securities, fixed income securities and currencies, UCITS and other UCIs and others financial instruments suitable for credit risk, dividends, interest rates, fixed income exchange rate, inflation, raw materials and volatility, and any other asset eligible for UCITS in order to generate returns from non-traditional sources and with low correlation with traditional markets.

All revenues arising from total return swaps, net of direct and indirect operational costs and fees, will be returned to the relevant Sub-Fund and share class. Direct and indirect operational costs and fees may be paid to agents of the SICAV and other intermediaries, including banks, investment firms, broker-dealers or other financial institutions or intermediaries which may be related parties to the Investment Manager and/or the Depositary, as remuneration for their services in connection with total return swaps. These entities will not be related to the Management Company. Information on direct and indirect operational costs and fees that may be incurred in this respect, the identity of the entities to which such costs and fees are paid as well as any relationship they may have with the Management Company or the Investment Manager will be available in the annual report of the SICAV.

Each Sub-Fund may incur costs in connection with repurchase and reverse repurchase agreements similar to costs applying to any kind of investments made by each Sub-Fund. All revenues arising from repurchase and reverse repurchase agreements at a rate agreed upfront between the Sub-Fund and the counterparty to these transactions will be returned to the relevant Sub-Fund. As of the date of this Prospectus, such repurchase and reverse repurchase agreements do not result in any transactions costs but only costs related to settlement and safekeeping by the Depositary.

The risks linked to the use of total return swaps and reverse repurchase transactions as well as the risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks are further described in section "Risk Warnings" of the Prospectus.

- *Management of collateral*

Assets received from counterparties in reverse repurchase transactions, and OTC derivative transactions constitute collateral.

Counterparties (including counterparties to total return swaps and reverse repurchase agreements) are selected with a strict selection process, among financial institutions of OECD countries whose minimum rating ranges between AAA to BBB- by Standard and Poor's at the moment of transaction.

Counterparties do not have discretion over the composition or management of a Sub-Fund's portfolio or over the underlying of financial derivative instruments used by a Sub-Fund.

Collateral shall comply with applicable regulatory standards, in particular CSSF circular 14/592 regarding the ESMA guidelines on ETFs and other UCITS issues.

In particular, collateral should comply with the following conditions:

i) any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;

ii) it should be valued on at least a daily basis at market price (mark-to-market) and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

iii) it should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;

iv) the collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the respective Sub-Fund's net asset value to any single issuer on an aggregate basis, taking into account all collateral received. By way of derogation, a Sub-Fund may be fully collateralised in transferable securities and money market instruments issued by an EU Member State, one or more of its local authorities, OECD countries or a public international body to which one or more EU Member States belong. In that case the Sub-Fund shall receive securities from at least six different issues, but securities from any single issue shall not account for more than 30% of the net asset value of the Sub-Fund;

v) where there is a title transfer, the collateral received shall be held by the Depositary. In case collateral is provided to the SICAV by way of a title transfer, the collateral received shall be held by the Depositary. Any OTC/FFX exposure of a Sub-Fund, including exposure to total return swaps, is covered by daily margin call calculations performed by the collateral manager. If the exposure is in favour of the Sub-Fund and breaches the minimum transfer amount then the Sub-Fund will call collateral from the broker concerned.

   Conversely, if the exposure is in favour of the broker, the Sub-Fund is obliged to transfer collateral to cover this exposure. Any cash/securities collateral is held at the Depositary and marked as collateral;

vi) it should be capable of being fully enforced by the SICAV at any time without reference to or approval from the counterparty.

This collateral must be given in the form of:

i) liquid assets (i.e., cash and short term bank certificates, money market instruments as defined in Council Directive 2007/16/EC of 19 March 2007) and their equivalent (including letters of credit and a guarantee at first-demand given by a first class credit institution not affiliated to the counterparty);

ii) bonds issued or guaranteed by a member state of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;

iii) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;

iv) shares or units issued by UCITS investing mainly in bonds/shares satisfying the condition under (v) and (vi) hereafter;

v) bonds issued or guaranteed by first class issuers (investment grade rating) offering adequate liquidity;

vi) shares admitted to or dealt in on a regulated market or on a stock exchange of a Member State of the EU or of a member State of the OECD, provided that these shares are included in a recognised index.

Collateral may be offset against gross counterparty exposure provided it meets applicable regulatory standards, including those for liquidity, valuation, issuer credit quality, correlation and diversification. In offsetting collateral its value is reduced by a percentage (a "haircut") which provides, inter alia, for short term fluctuations in the value of the exposure and of the collateral.

The level of haircut may fluctuate depending on various factors, such as, but not limited to, the type of collateral received (equities or bonds), the type of issuers (governments or companies) as well as on the correlation between the transactions and the collateral received in respect thereof and short term fluctuation in the value of the exposure and of the collateral. Collateral levels should be maintained so as to ensure that the net counterparty exposure remains within the limits provided under sub-paragraph (9) "*Financial derivative instruments*" above.

The haircuts shown in the following table are the minimum applied for each security. Nevertheless, the haircuts can be increased at the discretion of the Investment Manager, risk manager and/or Management Company.

Eligible Collateral	**Haircut****
Cash	0 - 10%
Government Bonds	0 - 15%
Non-Government Bonds	15 - 20%
Other*	5 - 20%

*Including (but not limited to) ABS (rating AAA to AA-), equities, mutual funds, covered bonds (investment grade), convertible bonds.
** Haircut is the factor applied to the valuation of received collateral. The collateral manager is responsible for the final valuation of the received collateral.

Non-cash collateral received by the SICAV in respect of any of these transactions may not be sold, reinvested or pledged.

Cash collateral will not be reinvested.

- *Description of certain risks associated with the efficient portfolio management transactions*

General

Use of the aforesaid techniques and instruments involves certain risks, some of which are listed in the following paragraphs, and there can be no assurance that the objective sought to be obtained from such use will be achieved.

It is first to be noted that although regulations require the Fund entering into one of the above transactions to receive sufficient collateral to reduce its counterparty exposure, regulations do however not compulsory require a full coverage of such counterparty exposure. This leaves room for the Fund to be exposed to a net counterparty risk and investors should be aware of the possible resulting loss in case of default of the relevant counterparty.

Optional and non-optional repurchase and reverse repurchase transactions

In relation to reverse repurchase transactions and sale with right of repurchase transactions in which the Fund acts as purchaser, investors must notably be aware that (A) in the event of the failure of the counterparty from which securities have been purchased there is the risk that the value of the securities purchased may yield less than the cash originally paid, notably because of inaccurate pricing of said securities, an adverse market value evolution, a deterioration in the credit rating of the issuers of such securities, or the illiquidity of the market in which these are traded, and that (B) locking cash in transactions of excessive size or duration and/or delays in recovering cash at maturity may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment.

In relation to repurchase transactions and sale with right of repurchase transactions in which the Fund acts as seller, investors must notably be aware that (A) in the event of the failure of the counterparty to which securities have been sold there is the risk that the value of the securities sold to the counterparty is higher than the cash originally received, notably because of a market appreciation of the value of said securities or an improvement in the credit rating of their issuer, and that (B) locking investment positions in transactions of excessive size or duration and/or delays in recovering, at maturity, the securities sold, may restrict the ability of the Fund to meet delivery obligations under security sales or payment obligations arising from redemption requests.

Repurchase and reverse repurchase transactions will, as the case may be, further expose the Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of the Prospectus.

Risk Management Process:

The Management Company will employ a risk management process which enables it with the Investment Managers to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Management Company or the Investment Managers will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

Unless otherwise provided in the relevant Appendix to this Prospectus, commitment approach is used to monitor and measure the global exposure of each Sub-Fund.

This commitment approach measures the global exposure related solely to positions on financial derivative instruments under consideration of netting or hedging.

The Sub-Funds applying a Value-at-Risk (VaR) approach to calculate their global exposure will contain an indication thereto in the relevant Appendix to this Prospectus. VaR is a means of measuring the potential loss to a Sub-Fund due to market risk and is expressed as the maximum potential loss measured at a 99% confidence level over a one month time horizon.

The absolute VaR approach is generally appropriate in the absence of an identifiable reference portfolio or benchmark. Under the absolute VaR approach a limit is set as a percentage of the net asset value of the Sub-Fund.

The relative VaR approach is used for Sub-Funds where a VaR benchmark reflecting the investment strategy which the Sub-Fund is pursuing is defined. Under the relative VaR approach a limit is set as a multiple of the VaR of a benchmark or reference portfolio.

When the VaR approach is used to calculate global exposure, the maximum VaR limit is 200% in the case of a relative VaR or 20% in the case of an absolute VaR, unless otherwise provided in the relevant Appendix to this Prospectus.

Liquidity Risk Management:

The Management Company has established, implemented and consistently applies a liquidity risk management process and has put in place prudent and rigorous liquidity management procedures which enable it to monitor the liquidity risks of the Sub-Funds and to ensure compliance with the internal liquidity thresholds so that a Sub-Fund can normally meet its obligation to redeem its Shares at the request of Shareholders at all times.

Qualitative and quantitative measures are used to monitor portfolios and securities to seek to ensure investment portfolios are appropriately liquid and that Sub-Funds are able to honour Shareholders' redemption requests. In addition, Shareholders' concentrations are regularly reviewed to assess their potential impact on the liquidity of the Sub-Funds.

Sub-Funds are reviewed individually with respect to liquidity risks.

The Management Company's liquidity management procedure takes into account the investment strategy, the dealing frequency, the underlying assets' liquidity (and their valuation) and Shareholder base. The following liquidity management tools may be used to manage liquidity risk:

- a suspension of the redemption of Shares in certain circumstances as described in the section "Temporary suspension of Redemptions".
- the deferral of redemptions in accordance with "Deferral of Redemptions".
- in certain circumstances the acceptance that redemption requests are settled in kind in accordance with section "Redemption of Shares".

Shareholders that wish to assess the underlying assets' liquidity risk for themselves should note that the Sub-Funds' complete portfolio holdings are indicated in the latest annual report, or the latest semi-annual report where this is more recent.

Share Class currency hedging:

Share Class currency hedging aims to reduce the exchange rate fluctuations between the Reference Currency of the Sub-Fund and the currency of the Share Class. However, there is no guarantee that these fluctuations will be entirely eliminated. Additionally, hedging transactions (e.g. currency swaps, forward foreign exchange contracts etc.) will be entered into regardless of whether the currency of the Share Class is declining or increasing in value relative to the Reference Currency of the Sub-Fund. The costs and any gains or losses associated with Share Class currency hedging will accrue solely to the Share Class to which is relates.

DIVIDEND POLICY

The SICAV does not presently intend to declare dividends for Class A, Class B, Class C, Class F, Class J, Class I, Class M, Class L, Class RK, Class S, Class V and Class X. Unless otherwise provided in the Appendix, the net income attributable to these Classes of Shares shall be retained within the SICAV and the net asset value of each Class of Shares shall rise accordingly.

To the extent profits are not distributed, the value of such profits will be reflected daily in the net asset value of each Class of Shares.

In addition, it is currently anticipated that Class AD, Class BD, Class CD, Class D, Class FD, Class ID, Class MD, Class LD and Class SD Shares intend to declare dividends. Other distribution-type Share Classes may be issued in the future, and the following paragraphs will also apply.

The SICAV may decide to declare dividends on Class AK, Class BK, Class IK and Class SK, as provided in the relevant Appendix.

In the event of a dividend, it will be declared and payable to investors at intervals to be specified by the Management Company, and in any event will be declared and payable at least on annual basis. Dividend will be payable within the month after it is declared, unless otherwise decided by the Board of Directors.

Dividend will be paid to all Shareholders duly registered on the SICAV register of Shareholders, as at the close of the Business Day (as defined below) at the payment date of the dividend. Payment of dividends to Shareholders will be made in cash by bank transfer in the same currency as the Class is denominated. Dividends will not be paid in cash when an account is not deemed to be in good order. Please also refer to the Section "Fight against Money Laundering and Financing of Terrorism" of the Prospectus.

A "Business Day" is defined as any full working day

(1) when banks are open for business:

- in the Grand Duchy of Luxembourg (i.e. a "Luxembourg Business Day"); and

- in any country where a significant portion of the Sub-Fund's assets are exposed to that country; and

(2) when any stock exchange and regulated market are also open where a significant portion of the Sub-Fund's assets are listed or traded.

Business Days may vary from one Sub-Fund to another.

A schedule listing the expected non-Business Days observed per Sub-Fund is available on the website of the Management Company and upon request at the registered office of the SICAV.

MANAGEMENT AND ADMINISTRATION

Management Company:

The Directors of the SICAV have appointed, by a Collective Portfolio Management Agreement, **Santander Asset Management Luxembourg S.A.** (formerly Santander Central Hispano Asset Management S.A.) as Management Company of the SICAV within the meaning of Chapter 15 of the Law of 2010.

Santander Asset Management Luxembourg S.A. was incorporated on 29 November 1996 (under the name of CENTRAL HISPANO GESTION LUXEMBOURG S.A.) as a corporation ("*société anonyme*") under the laws of Luxembourg for an unlimited duration. It has its registered office at 43, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. Its Articles of Incorporation were initially published in the *Mémorial* on 13 January 1997 and were last amended on 24 January 2019.

Santander Asset Management Luxembourg S.A. is entitled to perform the collective portfolio management of Luxembourg undertakings for collective investment in transferable securities and other undertakings for collective investment in accordance with the provisions of the chapter 15 of the Law of 2010.

The Board of Directors of Santander Asset Management Luxembourg S.A. is as follows:

- Christel Marie Catherine SCHAFF, Chairman of the Board of Directors
- Jaime GOMEZ FERRER RINCON, Director
- Monica TIUBA NOGUEIRA, Director
- Javier SEIRUL-LO, Director
- Lázaro DE LAZARO TORRES, Director

The Managers of Santander Asset Management Luxembourg S.A. are:

- Fernando GIRALDA
- Federico RUSCONI
- Enric FONT DE RUBINAT TORRENTS
- Alberto DE LOS OJOS PORTILLO
- Ruben NADELA DIAZ
- Javier VELILLA LUCINI

Its paid-up capital is EUR 125,092.33.

Santander Asset Management Luxembourg S.A. will also act as management company of the following Luxembourg UCITS:

- Santander International Fund SICAV
- Bel Canto SICAV
- Leopard Fund

The collective portfolio management duties encompass, in particular, the following tasks:

- Investment management. In this connection, the Management Company may, for the account of the UCITS or other UCIs it manages, (i) provide investment advice and make investment decisions, (ii) enter into agreements, (iii) buy, sell, exchange and deliver any sort of transferable securities and/or other acceptable types of assets, (iv) exercise all voting rights pertaining to securities held by UCITS or other UCIs under management.

- Administration of UCITS or other UCIs. This function includes all activities listed under "Administration" in Annex II of the Law, namely, (i) the valuation of the portfolios of the UCITS or other UCIs and the pricing of their units/shares, (ii) the issue and redemption of the units/shares of the undertakings for collective investment in transferable securities or other undertakings for collective investment, (iii) the maintenance of unit/share holder register, and (iv) the record keeping of transactions.

- Marketing and distribution-related activities of the units/shares of the UCITS or other UCIs in Luxembourg and abroad.

In accordance with the law and the regulations currently in force, Santander Asset Management Luxembourg S.A. is authorised to delegate all or part of its duties and powers to any person or company which it may consider appropriate, it being understood that the Prospectus will be amended and that Santander Asset Management Luxembourg S.A. will remain entirely liable for the actions of such representative(s).

The Management Company will be responsible for paying out of its Management fee and at its discretion the fees of any person or company it appoints, unless otherwise disclosed in the prospectus and in accordance with Luxembourg legal and regulatory requirements.

The duties of investment management, administration, marketing and distribution-related activities are delegated as described below.

The Management Company has established remuneration policies for those categories of staff, including senior management, risk takers, control functions, and any employees within the Management Company receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profiles of the Management Company or the SICAV, that:

- are compliant with and promote a sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles of the SICAV or with its Articles of Incorporation;

- are in line with the business strategy, objectives values and interests of the Management Company and which do not interfere with the obligation of the Management Company to act in the best interests of the SICAV and of its investors;

- include an assessment process based on the longer-term performance of the SICAV; and

- appropriately balance fixed and variable components of total remuneration.

Details of the remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits are available at http://www.santanderassetmanagement.lu. A paper copy will be made available free of charge upon request at the Management Company's registered office.

Investment Managers:

The Management Company has delegated the management of the SICAV to the following investment managers (each an "Investment Manager"):

- **Santander Asset Management SGIIC S.A.** (previously named Santander Gestión de Activos S.A. SGIIC).
  Santander Asset Management SGIIC S.A. was incorporated on 6 October 1971 under Spanish law. Its exclusive corporate purposes are management, administration and representation of Collective Investments Schemes. The Investment Manager is subject to the supervision of the Spanish regulatory authorities.

- **Santander Asset Management UK Limited**
  Santander Asset Management UK Limited is a wholly owned subsidiary of Santander Asset Management UK Holdings Limited. Santander Asset Management UK Limited is registered in Scotland, No. 106669, at 287 St Vincent Street, Glasgow G2 5NB, United Kingdom and is authorised and regulated by the Financial Services Authority. Its FSA registration number is 122491.

- **Amundi SGR S.p.A.**
  Amundi SGR S.p.A. is a limited liability company, with capital of EUR 67,500,000, incorporated under the laws of Italy, having its registered office at Via Cernaia 8/10 - 20121 Milan and registered with the Milan Companies Register, Tax Code and VAT no. 05816060965. Amundi SGR S.p.A. is registered in the Register of Asset Management companies held by the Bank of Italy (no. 40 sec. Management Company of UCITS and no. 105 sec. Managers of AIFs).

- **Robeco Institutional Asset Management B.V.**
  Robeco Institutional Asset Management B.V. ("Robeco") is a private company with limited liability, incorporated under Dutch law. Robeco's principal place of business is in The Netherlands, at Weena 850, 3014 DA, Rotterdam. Robeco holds a license from the Dutch Authority for the Financial Markets (AFM).

- **JPMorgan Asset Management (UK) Limited**
  JPMorgan Asset Management (UK) Limited is a limited liability company, incorporated under the laws of England and Wales. It is authorised and regulated by the Financial Conduct Authority (Firm Reference Number: 119337).

  JPMorgan Asset Management (UK) Limited has in turn delegated certain of its investment management functions to **J.P. Morgan Investment Management Inc.** J.P. Morgan Investment Management Inc. is incorporated with limited liability in the State of Delaware, U.S.A. and registered with the office of the Secretary of State, Delaware. It is authorised and regulated by the Financial Conduct Authority (Firm Reference Number: 119267).

- **Morgan Stanley Investment Management Limited**
  Morgan Stanley Investment Management Limited is registered with the Financial Conduct Authority (FCA), FCA: 121920, registered on 1 December 2001 and is a wholly owned subsidiary of Morgan Stanley, a corporation whose shares are publicly held and traded on the New York Stock Exchange under the symbol MS.

  Morgan Stanley Investment Management Limited has in turn delegated certain of its investment management functions to **Morgan Stanley Investment Management Inc**. Morgan Stanley Investment Management Inc. is incorporated under the general corporation law of the State of Delaware, United States of America, has its principal office at 522, Fifth Avenue, New York, NY 10036, United States of America and is registered as investment adviser with the Securities and Exchange Commission (US).

- **PIMCO Europe GmbH**
  PIMCO Europe GmbH is a company licensed by the Federal Financial Supervisory Authority ("BaFin") for the purpose of portfolio management and is supervised by the BaFin, and, therefore, is an investment firm authorised to perform portfolio management in accordance with MiFID.

  PIMCO Europe GmbH has in turn delegated certain of its investment management functions to **Pacific Investment Management Company LLC** ("PIMCO"). PIMCO was founded in Newport Beach, California in 1971. PIMCO is one of the world's largest fixed income managers, with a presence in every major global bond market. Today, PIMCO has offices in Newport Beach, New York, Singapore, Tokyo, London, Sydney, Munich, Zurich, Toronto, Hong Kong, Milan, Rio de Janeiro, Austin and Taipei. Pacific Investment Management Company LLC is a company regulated as an investment advisor by the U.S. Securities and Exchange commission (SEC), under the Investment Advisers Act of 1940 as amended and related rules.

- **RBC Global Asset Management (UK) Limited**
  RBC Global Asset Management (UK) Limited is a limited liability company incorporated under the laws of England and Wales with 03647343 as its registered company number, whose registered office is at Street4th Floor, 100 Bishopsgate, London, EC2N 4AA, United Kingdom.

  RBC Global Asset Management (UK) Limited has in turn delegated certain of its investment management functions to RBC Global Asset Management (U.S.) Inc., regulated by the U.S. Securities and Exchange commission (SEC) under SEC number 801-20303 and CRD number 107173, whose registered office is at 50 South Sixth Street, Suite 2350, Minneapolis, MN 55402, United States of America.

- **Schroder Investment Management (Hong Kong) Limited**
  Schroder Investment Management (Hong Kong) Limited is licensed by the Securities and Futures Commission to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities and has its registered office at Level 33, Two Pacific Place, 88 Queensway, Hong Kong.

The Investment Managers are in charge of the selection, on a day-to-day basis, of the securities and other assets constituting the Sub-Funds of the SICAV.

The Investment Manager and/or sub-investment manager of any Sub-Fund may differ from Sub-Fund to Sub-Fund. The Investment Manager and sub-investment manager of each Sub-Fund is included in the Prospectus and may also be obtained at the registered office of the SICAV or from the Administrative Agent upon request and will be contained in the SICAV's financial reports.

Sub-Investment Managers:

With the prior consent of the Management Company the Investment Manager may delegate, under its responsibility and at its own costs and expenses, to one or more sub-investment managers the selection, on a day-to-day basis, of the securities and other assets constituting any of the Sub-Funds of the SICAV (each a "**Sub-Investment Manager**"). The Appendix of the Sub-Funds for which such delegation has been made will specify the references of the Sub-Investment Manager which has been appointed.

Depositary and Paying Agent and Administrative, Corporate and Domiciliary Agent:

Pursuant to a depositary agreement (the "Depositary Agreement"), J.P. Morgan SE, acting through its Luxembourg Branch has been appointed as the depositary (the "**Depositary**") to provide depositary, custodial, settlement and certain other associated services to the SICAV. The Depositary shall assume its functions and responsibilities in accordance with the UCITS Regulation as further described in the Depositary Agreement. In particular, the Depositary will be responsible for the safekeeping and ownership verification of the assets of the SICAV, cash flow monitoring and oversight in accordance with the UCITS Regulation

J.P. Morgan SE is a European Company (*Societas Europaea*) organized under the laws of Germany, having its registered office at Taunustor 1 (TaunusTurm), 60310 Frankfurt am Main, Germany and is registered with the commercial register of the local court of Frankfurt under number HRB 16861. It is a credit institution subject to direct prudential supervision by the European Central Bank (ECB), the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin*) and Deutsche Bundesbank, the German Central Bank; J.P. Morgan SE, Luxembourg Branch is authorized by the CSSF to act as depositary and fund administrator and is licensed to engage in all banking operations under the laws of the Grand Duchy of Luxembourg.

The Depositary is entrusted with the safekeeping of the SICAV's assets as well as of assets subject to total return swaps and collateral received. For the financial instruments which can be held in custody, they may be held either directly by the Depositary or, to the extent permitted by applicable laws and regulations, through other credit institutions or financial intermediaries acting as its correspondents, sub-custodians, nominees, agents or delegates. The Depositary also ensures that the SICAV's cash flows are properly monitored, and in particular that the subscription monies have been received and all cash of the SICAV has been booked in the cash account in the name of (i) the SICAV, (ii) the Management Company on behalf of the SICAV or (iii) the Depositary on behalf of the SICAV.

The Depositary will further, in accordance with the Law of 2010, Directive 2014/91/UE as completed, implemented or interpreted by any applicable laws and regulations (the "**UCITS V Rules**"):

a) ensure that the sale, issue, redemption and cancellation of shares effected by the SICAV or on its behalf are carried out in accordance with the Luxembourg law or the Articles of Incorporation;

b) ensure that the value per Share of the SICAV is calculated in accordance with the Luxembourg law and the Articles of Incorporation;

c) carry out, or where applicable, cause any sub-custodian or other custodial delegate to carry out the instructions of the SICAV or the Management Company unless they conflict with the Luxembourg law and the Articles of Incorporation;

d) ensure that in transactions involving the assets of the SICAV, the consideration is remitted to it within the usual time limits; and

e) ensure that the income of the SICAV is applied in accordance with the Articles of Incorporation.

The Depositary regularly provides the Fund and the Management Company with a complete inventory of all assets of the Fund.

The Depositary shall assume its functions and responsibilities in accordance with the UCITS V Rules as further described in a separate depositary agreement entered into with the SICAV and the Management Company.

The Depositary Agreement

The SICAV has appointed the Depositary as depositary under a depositary agreement dated 7 July 2016 (such agreement as amended from time to time, the "**Depositary Agreement**").

The Depositary shall perform all the duties and obligations of a depositary under the UCITS Rules as outlined in the Depositary Agreement.

The Depositary Agreement may be terminated by any party on 90-day notice in writing except in the limited circumstances provided in the Depositary Agreement where a shorter notice period applies.

Before expiration of any such notice period, the SICAV shall propose a successor depositary which fulfils the requirements of the UCITS V Rules and to which the SICAV's assets shall be transferred and which shall take over its duties as the SICAV's depositary from the Depositary. The SICAV and the Management Company will use best endeavours to find a suitable replacement depositary, and until such replacement is appointed, the Depositary shall continue to perform its services under the Depositary Agreement.

The Depositary will be responsible for the safekeeping and ownership verification of the assets of the SICAV, cash flow monitoring and oversight in accordance with the UCITS V Rules. In carrying out its role as depositary, the Depositary shall act independently from the SICAV and the Management Company and solely in the interest of the SICAV and its investors.

The Depositary is liable to the SICAV or its investors for the loss of a financial instrument held in custody by the Depositary or any of its delegates. In case of loss of a financial instrument held in custody, the Depositary shall return a financial instrument identical type of the corresponding amount to the SICAV without undue delay. The Depositary shall, however, not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary is also liable to the SICAV or its investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with the UCITS V Rules.

Conflicts of Interest

In carrying out its functions, the Depositary shall act honestly, fairly, professionally, independently and solely in the interest of the SICAV and the investors of the SICAV.

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services. Within a multi-service banking group such as JPMorgan Chase Group, from time to time conflicts may arise between the Depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds, for instance foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws including Article 25 of the UCITS V Directive.

Sub-custodians and Other Delegates

The Depositary may entrust all or part of the assets of the SICAV that it holds in custody to such sub-custodians as may be determined by the Depositary from time to time. Except as provided in the UCITS V rules, the Depositary's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a third party.

When selecting and appointing a sub-custodian or other delegate, the Depositary shall exercise all due skill, care and diligence as required by the UCITS V rules to ensure that it entrusts the SICAV's assets only to a delegate who may provide an adequate standard of protection. The Depositary shall also periodically assess whether the third-party delegates fulfil applicable legal and regulatory requirements and will exercise ongoing supervision over each third-party delegate to ensure that the obligations of the third-party delegates continue to be competently discharged. The fees of any third-party delegate, other than a delegate within the Depositary's regular sub-custody network, shall be paid by the SICAV.

The current list of sub-custodians and other delegates used by the Depositary and sub-delegates that may arise from any delegation is available at Schedule II. Up-to-date information regarding the description of the Depositary's duties and of conflicts of interest that may arise as well as of any safekeeping functions delegated by the Depositary, the latest version of the list of sub-custodians and other delegates used by the Depositary and sub-delegates that any conflict of interest that may arise from any delegation may be obtained by investors from the SICAV upon request.

The Distributors:

The Management Company is entitled to appoint Distributors of its Shares (the "Distributors") in any country, in which the Shares of the SICAV are offered.

The Distributors are entitled to deal as principals in the Shares of the SICAV however at conditions not less favourable than those which applicants could obtain from the SICAV. Upon dealing in Shares, the Distributors shall regularly inform the SICAV, Management Company or Administrative Agent on the Shares transacted through them for any changes to be registered and the Share register kept by the Administrative Agent be updated and registered Share certificates, respectively Share confirmation or account confirmation advices be issued to the relevant Shareholders.

The Distributors may appoint suitable entities to act as sub-distributors and/or the nominees for the sale and distribution by them of the Shares on the basis of this Prospectus and the most recent financial reports, subject to the prior approval of the Management Company.

The Distributors as well as the sub-distributors and the nominees will comply with the obligations and guidelines outlined to prevent the use of undertakings for collective investment in securities for money laundering purposes, developed for financial intermediaries by the FATF.

Distributors shall be compensated for their distribution and investors servicing support and expenses. They may be paid a portion or all of the sales charge or management fee. They shall pay any appointed sub-distributor out of such compensation.

The main Nominees:

By a nominees agreement (the "Nominees Agreement"), ALLFUNDS BANK S.A.U (also acting through its branches) (the "Main Nominee") has been appointed by the Management Company to provide the nominee service to the Shareholders.

ALLFUNDS BANK S.A.U, carries out the activities described in the Article 63 of the Spanish Securities Market Law of 28 July 1988, duly amended by Law 37/1998 of 16 November and by Law 50/1988 of 30 December and also banking activities.

The Nominees Agreement is concluded for an unlimited period and may be terminated by either party by giving to the other party a three month period notice.

Subscribers may elect, but are not obliged, to make use of such nominee service pursuant to which the Nominee Agent (as defined under the amended IML Circular 91/75) will hold Shares in its own name for and on behalf of the subscribers who shall be entitled at any time to claim direct titles to the Shares. The

Nominee Agent will have no power to vote at any general meeting of Shareholders, unless the Shareholder grants it a power of attorney in writing his authority to do so. At all time, subscribers retain the ability to invest directly in the SICAV without using the nominee service.

An investor may ask at any time in writing that the Shares shall be registered in his name and in such case, upon delivery by the investor to the Administrative Agent of the relevant confirmation letter of the Nominee, the Administrative Agent shall enter the corresponding transfer and investor's name into the Shareholder register and notify the Nominee accordingly.

A list of the sub-distributors and sub-nominees is available at the SICAV's registered office. The sub-distributors are responsible for the distribution of the Shares among others in Spain.

THE SHARES

Shares are issued in registered form only.

The ownership of registered shares will be established by an entry in the register of shareholders of the SICAV.

Confirmation of shareholding will be delivered to the shareholders by fax or post mail.

Fractions of Shares will be issued up to 2 decimal places. Fractions of Shares entitle their holder to pro-rata entitlements in case of repurchases, dividends distributions, if any, or distributions of liquidation proceeds.

J.P. Morgan SE, Luxembourg Branch acts as Registrar and Transfer Agent of the SICAV.

Initial Subscriptions:

Subscriptions for Shares in each Sub-Fund can be made on any Dealing Day for the relevant Sub-Fund (as defined in the Appendix of the relevant Sub-Fund). Applications for Shares should be sent to one of the Distributors or to the Administrative Agent, in either case, at the address given in this Prospectus and in the annual reports.

The initial launch date or offering period for each newly created or activated Class or Sub-Fund will be determined by the Board. The Board of Directors may fix minimum subscription amounts for each Class the details thereof are indicated in the relevant Appendix. The Board of Directors has the discretion, from time to time, to waive any applicable minimum subscription amounts.

Shares of each Class shall be allotted at the initial offering price per Share of such Class plus any applicable sales charge. Unless otherwise provided in the relevant Appendix, no sales charge will be applied. In case a sales charge is applied, it may be waived in whole or in part at the discretion of the Board and may be (in whole or in part) for the benefit of the relevant Sub-Fund or the Management Company or may be paid to (if any), and retained by Distributors and sub-distributors acting in relation to the distribution of Shares, as remuneration for their distribution and investors servicing support, such as but not limited to ongoing communication of information to investors, transactions support and other related services and expenses.

The Board of Directors reserves the right to accept or refuse any application in whole or in part and for any reason. The SICAV may also limit the distribution of Shares of a given Class or Sub-Fund to specific countries.

Subsequent Subscriptions:

The Articles of Incorporation provide that the subscription price of any Class of any Sub-Fund is the relevant net asset value per Share. Unless otherwise specified in the relevant Appendix, no sales charge will be applied. In case a sales charge is applied, it may be waived in whole or in part at the discretion of the Board and will be paid to, and retained by, the intermediary acting in relation to the distribution of Shares.

Unless otherwise specified in the relevant Appendix, there is no minimum amount applicable to subsequent subscriptions on any Sub-Fund.

Subscription applications lodged with the Administrative Agent in Luxembourg on any Dealing Day (whereas a "Dealing Day" is any full Business Day preceding a Valuation Day) before 16:00 Luxembourg time (the "Subscription Deadline"), will be processed on that Dealing Day, using the net asset value per

Share of that Dealing Day which is calculated and published on the next Valuation Day for the relevant Class and Sub-Fund(s) or as otherwise indicated in the Appendix of the relevant Sub-Fund.

All applications for subscription will be dealt at an unknown net asset value (*forward pricing*).

Applications notified to the Administrative Agent in Luxembourg after the Subscription Deadline on any Dealing Day shall be dealt as if notified on the next following Dealing Day.

Different time limits may apply if subscriptions for Shares are made through a Distributor. No Distributor is permitted to withhold subscription orders to personally benefit from a price change. Investors should note that they might be unable to purchase or redeem Shares through a Distributor on days that such Distributor is not open for business.

Upon its determination, the subscription price per Share shall be notified by the SICAV to the Distributors who shall inform the purchaser on the total amount to be paid for the number of Shares allotted in such Class of the Sub-Fund(s) selected.

The payment of the subscription price must be received within 5 Luxembourg Business Days from the applicable Dealing Day. If the payment and the written subscription application have not been received on such date, the application may be refused and the allocation of Shares made on the basis of any such subscription cancelled.

The Board of Directors may decide at its discretion to issue Shares in each of the Sub-Funds against contributions in kind (or a combination of both cash and in kind) in accordance with the conditions of Luxembourg laws or regulations. To the extent legally or regulatory required or if so requested by the Board of Directors, an auditor's valuation report will be obtained. Any cost incurred in connection with a subscription in kind shall be borne exclusively by the relevant Shareholder, unless the Board of Directors considers at its discretion that the subscription in kind is in the best interests of the SICAV or made to protect the interests of the SICAV, in which case such costs may be borne in whole or in part by the SICAV.

Customer due diligence documentation must be deemed in good order. Please also refer to the Anti-Money Laundering section of this prospectus.

General:

Subscriptions may be made in the reference currency of the relevant Sub-Fund(s) or Class of a Sub-Fund of the SICAV. Such currencies, as the case may be, are indicated in the relevant Appendix of each Sub-Fund. Subscriptions may also be made in EUR, USD, GBP or any other currency decided by the Board of Directors. The exchange rate applicable to the relevant subscription will be applied by the Transfer Agent on the Dealing Day at the investor's expenses.

Applications must indicate the name of the Class and of the Sub-Fund(s) selected, the number of Shares applied for or the amount to be invested and be accompanied by a statement confirming that the applicant has received and read a copy of this Prospectus and the current relevant KID for each Class in which subscription is requested and that the application is made on the basis of this Prospectus and the relevant KID.

In addition, any eligibility criteria provided for in relation to any Share Class must be complied with.

The KIDs are available at www.santanderassetmanagement.lu.

Customer due diligence documentation must be deemed in good order. Please also refer to the section "Fight against Money Laundering and Financing of Terrorism" of the prospectus.

The SICAV will not issue, or effect any conversion into Class I, Class ID, Class IK and Class J Shares to any investor who may not be considered as an Institutional Investor. The Board of Directors may, at its discretion, delay the acceptance of any subscription application for shares of a Class of Shares reserved for Institutional Investors until such time as the SICAV has received sufficient evidence that the applicant qualifies as an Institutional Investor. If it appears at any time that a holder of shares of a Class of Shares reserved to Institutional Investors is not an Institutional Investor, the Board of Directors will convert the relevant shares into shares of a Class of Shares which is not restricted to Institutional Investors (provided that there exists such a Class of Shares with similar characteristics) or compulsorily redeem the relevant shares in accordance with the provisions set forth in the Articles of Incorporation.

Payment of the subscription price shall be made within 5 full Luxembourg Business Days from the applicable Valuation Day in the reference currency of the relevant Class as per the relevant Appendix or in the settlement currency as requested on the order (EUR, USD or GBP) by transfer to J.P. Morgan SE, Luxembourg Branch on the Collection Account for the benefit of the relevant Sub-Fund(s) or Class of a Sub-Fund of the SICAV. In case the subscription is made on a currency different from the relevant Class, an exchange rate will be applied by the Transfer Agent on the Dealing Day at the Investor's expenses.

If an application is not accepted in full or in part, the price paid or the balance shall be returned to the applicant through the post or otherwise at the risk of the applicant.

The SICAV reserves the right to reject any application or to accept any application in part only.

In some countries where the SICAV is registered, charges might be applied to the investors for subscription in connection with services provided by local payment agents, correspondent banks or other persons performing those services.

Fight against Money Laundering and Financing of Terrorism:

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, the Grand Ducal Regulation dated 1 February 2010 and CSSF Regulation N° 12-02 of 14 December 2012 on the fight against money laundering and terrorist financing as well as circulars of the supervising authority comprising but not limited to CSSF circular 13/556 regarding the entry into force of the CSSF Regulation N° 12-02 and CSSF circular 15/609 regarding the developments in automatic exchange of tax information and anti-money laundering in tax matters, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the Administrative Agent of the SICAV must ascertain the identity of the subscriber.

Therefore, the Administrative Agent may require subscribers to provide acceptable proof of identity and for subscribers who are legal entities, an extract from the registrar of companies or articles of incorporation or other official documentation. In any case, the Administrative Agent may require, at any time, additional documentation to comply with applicable legal and regulatory requirements.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (will not be accepted and in case of redemption, payment of redemption proceeds delayed. Neither the SICAV, the Management Company nor the Administrative Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

Luxembourg register of beneficial owners:

The Luxembourg law of 13 January 2019 creating a register of beneficial owners (the "RBO Law") entered into force on 1 March 2019. According to the provisions of the RBO Law, each entity registered in Luxembourg with the Luxembourg companies register (*Registre de Commerce et des Sociétés*), including the SICAV, has to identify its beneficial owners ("Beneficial Owners"). The SICAV must register Beneficial Owner-related information with the Luxembourg register of beneficial owners, which is established under the authority of the Luxembourg Ministry of Justice.

The RBO Law broadly defines a Beneficial Owner as any natural person(s) who ultimately owns or controls the relevant entity through direct or indirect ownership of a sufficient percentage of the shares (more than 25%) or voting rights or ownership interests in the entity (as applicable), or through control via other means, other than a company listed on a regulated market that is subject to disclosure requirements consistent with European Union law or subject to equivalent international standards which ensure adequate transparency of ownership information.

In case the Beneficial Owner criteria are fulfilled by an investor with regard to the SICAV, this investor and/or nominee is obliged by the RBO Law to provide the required supporting documentation and information necessary for the SICAV to fulfil its obligations under the RBO Law.

Failure by the SICAV and the relevant Beneficial Owners to comply with their respective obligations deriving from the RBO Law will be subject to criminal fines.

Holding, Disclosure and Processing of Investor Data:

a) Data Protection

Any and all information concerning the investor (hereafter the "Investor") as an individual or any other data subject, contained in the application form or further collected in the course of the business relationship with the SICAV will be processed by the SICAV and the Management Company as joint data controllers (the "Controller") in compliance with: (i) Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (the "Data Protection Directive") as transposed in applicable local laws; (ii) the Luxembourg law dated 1 August 2018 on the protection of natural persons as regards personal data processing; (iii) Regulation (EU) 2016/679 of 27 April 2016 ("GDPR"); as well as (iv) any applicable law or regulation relating to the protection of personal data (collectively the "Data Protection Law"). In accordance with the provisions of the Data Protection Law, Investors in the SICAV are informed that the Controller, collects, stores and processes by electronic or other means the data supplied by the Investors at the time of their subscription, for the purpose of fulfilling the services required by the Investors and complying with their legal obligations and specifically in compliance with the provisions of GDPR. The data processed includes personal data of Investors, ultimate beneficial owners, directors, authorised representatives or contact persons of Investors (including, but not limited to, the name, address, email address, passport or identification card details, tax identification details, bank account details source of wealth and invested amount of each Investor) ("Investor Data").

The Investor Data is processed for the following purposes: (i) maintaining the register of Shareholders; (ii) processing subscriptions and redemptions of Shares and payments of distributions to Shareholders; and (iii) complying with applicable anti-money laundering rules and any regulatory requirements applicable to the SICAV, and the Authorised Entities or any of their affiliates.

The Controller may delegate the processing of the Investor Data to one or several entities (the “Processors”) located in the European Economic Area or in other countries in accordance with the provisions of the Data Protection Law. The Processors may also appoint sub-processors.

Investors Data will be processed as long as the contractual relationship between the parties is maintained. After the termination of this relationship, Investors Data will be kept, duly blocked, with the purpose of making such data available to the competent public administrations, Judges and Courts or the Public Prosecutor's Office during the limitation period applicable to the actions that may arise from the

relationship maintained with the Investors and/or the legally established retention periods. Finally, physical deletion of the Investors Data will be conducted once these deadlines have passed.

Investors may exercise their rights such as the rights of access, rectification, objection, restriction of processing, data portability, and erasure in accordance with applicable data protection legislation and shall contact the Controller for this effect at its registered address. Investors are also informed about the possibility to lodge a complaint before the relevant data protection supervisory authority in regard to the exercise of their personal rights. Investors should consult the data privacy notice of the Controller available at https://www.santanderassetmanagement.lu.

Where Investor Data is not collected directly from the data subjects, the person providing the Investor Data shall ensure that data subjects are informed about their rights, how to exercise them and the information provided in the data privacy notice of the Controller.

b) Confidentiality

The Controller and the Investors authorise and instruct J.P. MORGAN SE, Luxembourg Branch as central administration, registrar and transfer agent and depositary of the SICAV to hold, process and disclose confidential information to the Authorised Entities (as defined below), and to use communications, computing systems and gateways operated by the Authorised Entities for the Permitted Purposes (as defined below), including where such Authorised Entities and their personnel, communications and computing systems are present in a jurisdiction outside of Luxembourg or in jurisdictions outside the European Economic Area where confidentiality and personal data protection laws might not exist or be of a lower standard than in the European Union.

By subscribing for Shares and/or being invested in the SICAV, the Investor: (i) acknowledges that this authorisation and instruction is granted to permit the holding, processing and disclosure of Investor Data by such Authorised Entities in the context of the Luxembourg statutory confidentiality obligations of J.P. MORGAN SE, Luxembourg Branch, and (ii) waives such confidentiality in respect of the Investor Data for the Permitted Purposes only.

Investors acknowledge that this authorisation and instruction is granted to permit the disclosure of Investor Data and the holding and processing of Investor Data by the Authorised Entities in the context of the Luxembourg statutory confidentiality obligations of J.P. MORGAN SE, Luxembourg Branch, as more fully described in the section "Processing of Information" of the application form. Investors hereby waive such confidentiality in respect of the Investor Data for the Permitted Purposes.

Investors acknowledge that authorities (including regulatory or governmental authorities) or courts in certain jurisdictions may obtain access to Investor Data which may be held or processed in such jurisdiction or access it through automatic reporting, information exchange or otherwise in accordance with the applicable laws and authorise that J.P. MORGAN SE, Luxembourg Branch and the Authorised Entities may disclose or make available Investor Data to such authorities or courts to the extent required by applicable laws and regulations.

The purpose of the holding and processing of Investor Data by, and the disclosure to, the Authorised Entities, is to enable the processing for the Permitted Purposes. By subscribing for Shares and/or being invested in the SICAV, the Investor acknowledges and consents that such disclosure of Investor Data is in order for it to be held and/or processed by Authorised Entities outside Luxembourg or outside the European Economic Area for purposes of confidentiality obligations.

Subject to the foregoing, J.P. MORGAN SE, Luxembourg Branch shall inform the Authorised Entities which hold or process Investor Data (a) to do so only for the Permitted Purposes and in accordance with applicable laws, and (b) that access to such Investor Data within an Authorised Entity is limited to those persons who need to know the Investor Data for the Permitted Purposes, all in accordance with the applicable laws. This authorisation and instruction shall remain valid for so long as an Investor is invested in the SICAV or until revoked by the Investor by giving written notice which has been received by J.P. MORGAN SE, Luxembourg Branch, provided that it has had reasonable opportunity to act upon it.

In this Prospectus:

"Authorised Entities" means any of: (a) J.P. Morgan Chase Bank, NA, established in the United States of America; (b) J.P. Morgan Bank (Ireland) plc and J.P. Morgan Administration Services (Ireland) Limited, both established in the Republic of Ireland; (c) J.P. Morgan Europe Limited, established in the United Kingdom; (d) J.P. Morgan Services India Private Limited, established in the Republic of India; (e) the investment manager(s) (i.e. Santander Asset Management UK Limited) and/or the Management Company of the SICAV in respect of which J.P. MORGAN SE, Luxembourg Branch acts as service provider; (f) JP Morgan Chase Bank NA Philippines, established in the Republic of the Philippines; (f) J.P. Morgan AG established in the Federal Republic of Germany; (g) any other member of the JPMorgan Chase Bank Group of companies located in, inter alia, Luxembourg, other countries of the European Economic Area, the United Kingdom, the United States of America, the Philippines, Singapore, Hong Kong, Australia, China, Japan, Brazil, Mexico, Argentina, Colombia, Chile, South Africa and Russia which may be contracted from time to time by J.P. MORGAN SE, Luxembourg Branch to facilitate its provision of services to the SICAV; (h) a firm located in or outside of Luxembourg that is engaged in the business of providing client communication services to banks, funds or other professionals of the financial sector, including the service of printing or sending statements to clients or investors; or (i) a third party located in or outside of Luxembourg that holds and processes data, that is an experienced provider of fund accounting, transfer agency and administration software and technology solutions and production services;(j) any of Santander Asset Management companies at any time, and in particular, Santander Asset Management LLC, Santander Pensiones SA EGFP, Santander Asset Management SA SGIIC and its branches, Santander Rio Asset Management Gerente de Fondos Comunes de Inversión SA, SAM Brasil Participacoes SA, Santander Brasil Asset Management Distribuidora de Titulos e Valores Mobiliarios SA, Santander Brasil Gestao de Recursos Ltda, SAM Asset Management SA de CV, Sociedad Operadora de Sociedades de Inversión, Santander Asset Management S.A. AGF, Santander Asset Management UK Ltd, Santander Asset Management UK Holdings Limited, SAM UK Investment Holdings Limited, SAM Investment Holdings Limited and its branches; (k) Banco Santander SA and any of its affiliates worldwide; (l) any entity or platform engaged in the offering or distribution of the SICAV.

"Permitted Purposes" means any of the following purposes: (a) the opening of accounts, including the processing and maintenance of anti-money laundering/anti-terrorism financing /know-your-client records; (b) the holding and servicing of Investor assets, (c) processing of transactions made by or for the Investor; (d) maintaining the account records of Investors and providing information to Investors in respect of the same including providing web services and electronic communications; and (e) providing and maintaining the register of the SICAV; (f) printing and/or sending Investor statements to the Management Company or the Investors; (g) the processing and reporting of Investors Data for tax purposes in compliance with FATCA or CRS (as defined in the section Taxation); (h) other purposes necessary to J.P. MORGAN SE, Luxembourg Branch's provision of depositary, fund administration, fund accounting, transfer agency and other related services to the SICAV, including systems maintenance and associated processes; (i) global risk management, within the J.P. Morgan Chase Bank Group of companies and (j) compliance with any requirement of law, regulation, industry standard, codes of practice or internal policy; in response to any court order, or request of regulators, government or law enforcement agencies; for the prevention or investigation of crime, fraud or any malpractice, including the prevention of terrorism, money laundering and corruption; as well as for tax or other reporting requirements, including, where applicable, for compliance with foreign regulations such as the United States Foreign Account Tax Compliance Act.

Temporary Suspension of Subscriptions:

No Shares will be issued by the SICAV in particular Sub-Fund(s) or Class of Sub-Fund(s) during any period when the calculation of the net asset value per Share of that (those) Sub-Fund(s) or Class of Sub-Fund(s) is (are) suspended by the SICAV pursuant to the power reserved to it by its Articles of Incorporation and described here below. Notice of any such suspension will be given to applicants for Shares and applications made or pending during such suspension may be withdrawn by notice in writing received by the SICAV prior to the lifting of such suspension. Unless withdrawn, applications will be considered on the first Valuation Day following the end of the suspension.

In accordance with the Law of 2010, the subscription for Shares shall be prohibited:
(i) during the period where the SICAV has no depositary; and

(ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

Redemption of Shares:

The SICAV may redeem its Shares at any time without any limit provided that no redemption in particular Sub-Fund(s) may be made during any period when the calculation of the net asset value per Share of that (those) Sub-Fund(s) is (are) suspended.

A Shareholder wishing to have all or any of his Shares redeemed may send a redemption order by fax to the Administrative Agent or ask by application in writing to the Administrative Agent in Luxembourg, or if appropriate, to the address of the relevant Distributor. This application is irrevocable, save what is said under "Temporary Suspension of Redemptions", and must indicate the name of the Sub-Fund(s) or Class of Sub-Fund(s) to which it relates, the number of Shares or the amount in the reference currency of the relevant Class as per Appendix or in the settlement currency as requested on the redemption order (EUR, USD or GBP) which would be applied by the Transfer Agent an exchange rate at the investor's expenses. The redemption order must contain the name in which the Shares are registered as well as the details concerning the person to whom payment of the redemption price must be made.

The request must also contain the fax number of the Shareholder requiring the redemption.

All Shares tendered for redemption shall be redeemed, in the case of applications notified to the Administrative Agent in Luxembourg on any Dealing Day before 16:00 Luxembourg time (the "Redemption Deadline"), at the net asset value per Share calculated on the next Valuation Day for the relevant Class and Sub-Fund(s) or as otherwise indicated in the Appendix of the relevant Sub-Fund.

Customer due diligence must be deemed in good order. Please also refer to section "Fight against Money Laundering and Financing of Terrorism" of the prospectus.

All applications for redemption will be dealt at an unknown net asset value (*forward pricing*).

In case of a request notified to the Administrative Agent in Luxembourg after the Redemption Deadline on any Dealing Day, redemption shall be dealt as if notified on the next following Dealing Day.

Unless otherwise provided in the relevant Appendix, no redemption fee will be applied. In case a redemption fee is applied, it will be calculated on the basis of the net asset value per Share, may be waived in whole or in part at the discretion of the Board and will revert to the Management Company. The redemption fee (if any) will be the same for all redemptions effected on the same Valuation Day for each Sub-Fund.

Redemptions may be made in the reference currency of the relevant Sub-Fund(s) or Class of a Sub-Fund of the SICAV. Such currencies, as the case may be, are indicated in the relevant Appendix of each Sub-Fund. Subscriptions may also be made in EUR, USD, GBP or any other currency decided by the Board of Directors. The exchange rate applicable to the relevant subscription will be applied by the Transfer Agent on the Dealing Day at the investor's expenses.

As soon as reasonably practicable after the determination of the redemption price, the SICAV will notify the applicant of such price.
Redemption payments in cash will be made at the expense of the Shareholder, by transfer of funds to the account indicated by the Shareholder, in the settlement currency of the relevant Class of a Sub-Fund, or in EUR, USD, GBP according to investor's request.

Payment in cash of the redemption price will be made no later than 5 Luxembourg Business Days from the applicable Dealing Day, subject to receipt by the Administrative Agent of the documents listed above.

The redemption price of Shares in the SICAV may be more or less than the cost to the Shareholder depending on the value per Share of the assets of the relevant Sub-Fund or Class of Sub-Fund(s) in the SICAV at the time of purchase.

The Board of Directors may decide at its discretion to satisfy the payment of the redemption price to any Shareholder who agrees, in whole or in part, by an in-kind allocation of securities and cash pro rata in accordance with the conditions of Luxembourg laws and regulations. An auditor's valuation report will need to be obtained. Any cost incurred in connection with a redemption in kind shall be borne exclusively by the relevant Shareholder, unless the Board of Directors considers at its discretion that the redemption in kind is in the best interests of the SICAV or made to protect the interests of the SICAV, in which case such costs may be borne in whole or in part by the SICAV. The Board of Directors may reject any redemption in kind if it determines at its discretion that such transaction would not be in the best interest of the remaining Shareholders or the SICAV.

Unless otherwise specified in the relevant Appendix, there is no minimum holding amount for any Sub-Fund. However, if, as a result of a redemption, the value of a Shareholder's holding would become less than the minimum subscription amount specified in the relevant Appendix, that Shareholder may be deemed (if the Board so decides) to have requested redemption of all of his Shares. Also, the Board of Directors may, at any time, decide to compulsorily redeem all Shares from Shareholders whose holding is less than the minimum subscription amount specified in the relevant Appendix. In the case of such compulsory redemption, the Shareholder concerned will receive one month's prior notice so as to be able to increase his holding above such amount.

Shareholders are required to notify the SICAV immediately in the event that they become US Persons or hold Shares for the account or benefit of US Persons or otherwise hold Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the SICAV or the Shareholders or otherwise be detrimental to the interests of the SICAV. Where the Directors become aware that a Shareholder (a) is a US Person or is holding Shares for the account of a US Person, (b) is holding Shares in breach of any law or regulation or otherwise in circumstances having, or which may have, adverse regulatory, tax or fiscal consequences for the SICAV or the Shareholders or otherwise be detrimental to the interest of the SICAV, the Directors may redeem the Shares in accordance with the provisions of the Articles of Incorporation.

In some countries where the SICAV is registered, charges might be applied to the investors for redemption in connection with services provided by local payment agents, correspondent banks or other persons performing those services.

Deferral of Redemptions:

If the total requests for redemptions (including conversions out) represent more than 10% of the total value of Shares in issue of any Sub-Fund on a Dealing Day, the Board of Directors may decide that redemptions and conversion in excess of 10% may be deferred by up to ten consecutive Valuation Days. On such Valuation Days deferred requests will be dealt with in priority to later requests, until completion of the original requests. The Directors will also ensure that all redemption requests relating to an earlier Valuation Day are honoured before those relating to a later Valuation Day are considered.

Temporary Suspension of Redemptions:

The right of any Shareholder to require the redemption of any Share of - or a certain amount in the reference currency of the relevant Sub-Fund - a particular Sub-Fund in the SICAV will be suspended during any time when the calculation of the net asset value per Share of that Sub-Fund is suspended by the SICAV pursuant to the power reserved to it by its Articles of Incorporation and described here below.

Notice of any such suspension will be given to any Shareholder asking for redemption and any request for redemption made or pending during such suspension may be cancelled by a written notice sent to the SICAV, under the condition that this notice is received by the SICAV prior to the lifting of such suspension. Unless so withdrawn, the relevant Shares will be redeemed on the first Valuation Day after the lifting of such suspension.

In accordance with the Law of 2010, the redemption of Shares shall be prohibited:
(i) during the period where the SICAV has no depositary; and
(ii) where the Depositary is put into liquidation or declared bankrupt or seeks an arrangement with the creditors, a suspension of payment or a controlled management or is the subject of similar proceedings.

Conversion of Shares:

Unless otherwise provided in the relevant Appendix of each Sub-Fund Shareholders may convert Shares of any Class of a Sub-Fund into Shares of another existing Class of that or another Sub-Fund by applying for conversion in the same manner as for issue and redemption of Shares, in accordance with the prescriptions and by application of the relating conversion fees as described hereafter. Provisions stated above in relation to the temporary suspension of subscription and redemption apply *mutatis mutandis* to conversion of Shares.

However, the right to convert Shares is subject to compliance with any condition (including any minimum subscription amounts) applicable to the Class into which conversion is to be effected, such as, but not limited to, eligibility criteria applicable to investors. Therefore, if, as a result of a conversion, the value of a Shareholder's holding in the new Class would be less than the minimum subscription amount specified in the Appendix of the relevant Class, the Board may decide not to accept the request for conversion of the Shares. In addition, if, as a result of a conversion, the value of a Shareholder's holding in the original Class would become less than the minimum subscription amount specified in the Appendix of the relevant Class, the relevant Shareholder may be deemed (if the Board so decides) to have requested the conversion of all of his Shares.

Application for conversion may be made on any Dealing Day by sending a written request. Such request should specify the number of Shares to be converted in respect of the designated Sub-Fund or Class of Sub-Fund and the name of the new selected Sub-Fund or Class of Sub-Fund.

The Board of Directors may apply a conversion fee where applicable which will revert to the benefit of the Management Company as described in the relevant Appendix of each Sub-Fund. Unless otherwise allowed in the Appendix and subject to what is provided for below, the applicable conversion fee percentage will be 0%.

Furthermore, where an exchange request is expressed more frequently than eight times within any one year period by any Shareholder, the latter may be charged a conversion fee of 1% of the net asset value of the Shares exchanged into another Sub-Fund, this fee reverting to the Management Company.

The number of Shares to be issued in the new selected Sub-Fund or Class of Sub-Fund will be based upon the respective net asset value per Share of the two Classes involved, determined on the next Valuation Day after which the request is received, provided that such request is received by the Administrative Agent in Luxembourg prior to 16:00 Luxembourg time on any Dealing Day or as otherwise indicated in the Appendix of the relevant Sub-Fund. The number of shares will be issued up to two decimal places. The rate at which all or part of the Shares in a given Sub-Fund or Class of Sub-Fund (the "original Sub-Fund") are converted to Shares of another Sub-Fund or Class of Sub-Fund (the "new Sub-Fund") is determined by means of the following formula:

$$A = \frac{B \times C \times E \times (1 - F)}{D} \qquad \text{(with the meanings hereafter)}$$

A: is the number of Shares to be allocated in the new Sub-Fund;

B: is the number of Shares of the original Sub-Fund which are to be converted;

C: is the applicable net asset value per Share of the original Sub-Fund;

D: is the applicable net asset value per Share of the new Sub-Fund;

E: is the currency conversion rate (if any) between the currency of the original Sub-Fund and the currency of the new Sub-Fund;

F: is the applicable conversion fee percentage (if any).

All applications for conversion will be dealt at an unknown net asset value (*forward pricing*).

Pricing of Shares:

The net asset value and the offer and redemption prices of the Shares of each Class will be made public at the registered office of the SICAV.

The SICAV will arrange for regular publication of the net asset value of all Sub-Funds on the following website: www.santanderassetmanagement.lu.

FEES AND EXPENSES

The SICAV bears all its operating costs including the fees and certain expenses of the Directors, the Management Company (see below), Depositary and Paying Agent (see below), Administrative Agent (see below), permanent representatives at the places of registration, any other agent employed by it; the guarantee fee payable to the guarantor; expenses for legal and auditing services; expenses of official listing; costs of buying and selling securities, governmental charges, interest, printing, reporting and publication expenses, postage, telephone and telex. The SICAV bears its promotional and other expenses incurred in the preparation of and in connection with the offering of the Classes of Sub-Funds, including printing, listing and all related legal and other professional costs.

Costs for investment research services will be assumed by the Investment Managers (unless otherwise indicated in the Appendices of the Sub-Funds).

The Management Company will be entitled to charge out of the assets of the SICAV:

- a monthly management fee as more fully described in the Appendices;

- as the case may be, a performance fee as more fully described in the Appendix;

- shareholding services fee of 0.03% of the average net assets of each Sub-Fund.

In its capacity as Depositary, Administrative, Corporate and Domiciliary Agent, J.P. Morgan SE, Luxembourg Branch is entitled to receive as remuneration for the services rendered to the SICAV and the Management Company an annual fee depending on the nature of the investments of the different Sub-Funds in a range from 0.05% to 0.30% of the Net Asset Value of the different Sub- Funds, as reflected in more detail in the SICAV's financial reports. The annual fee comprises elements of fixed costs and ad valorem costs based on the net asset value of each Sub-Fund. Such fees will be calculated and accrued daily and will be paid monthly in arrears to the Depositary by the SICAV out of the assets of each Sub-Fund.

It should be noted that a minimum annual fee for administration services (EUR 12,000) and depositary services (EUR 8,000) per Sub-Fund shall be payable by the SICAV to J.P. Morgan SE, Luxembourg Branch in remuneration of its fund accounting, valuation and trustee services in case the fees rates agreed for these services (expressed in percentage per annum and disclosed in the previous paragraph) do not reach these annual minima considering the level of assets under management of the relevant Sub-Fund over the relevant period.

Administration and trustee fees (rate expressed in percentage with an annual minimum) are calculated and accrued in the Sub-Funds on daily basis and payable to the Depositary, Administrative, Corporate and Domiciliary Agent on quarterly basis.

Such fees do not include normal banking and brokerage fees and commissions on transactions relating to the assets and liabilities of the SICAV as well as any reasonable out-of-pocket expenses incurred in connection with the SICAV, and chargeable to the SICAV and fees for other services as agreed from time to time. The amounts effectively paid will be shown in the SICAV's financial reports.

All charges and expenses pursuant to the above are exclusive of value added taxes or other taxes chargeable thereon, which should be paid by the SICAV as required.

The Investment Managers will be paid by the Management Company out of the latter's own fees.

The Distributors will be paid by the Management Company out of the latter's own fees and/or applicable sale charges.

Costs of establishing and maintaining the Share Class currency hedging programme will be charged to the specific Share Class to which it relates.

Costs of establishment and reorganisation expenses may be capitalised and amortised to the maximum extent permitted by Luxembourg law and in accordance with generally accepted accounting principles.

All expenses are taken into account in the determination of the net asset value of the Shares of each Sub-Fund.

The fees and charges which are not attributable to a particular Sub-Fund or Class of Sub-Fund are charged to the various Sub-Funds in equal parts, or if the amounts in question so require, pro rata to the value of the respective net assets of each Sub-Fund. Fees and charges attributable to a specific Sub-Fund or Class of a Sub-Fund will be charged to that Sub-Fund or Class of a Sub-Fund directly.

TAXATION

The following information is based on the laws, regulations, decisions and practice currently in force in Luxembourg and is subject to changes therein, possibly with retrospective effect. This summary does not purport to be a comprehensive description of all Luxembourg tax laws and Luxembourg tax considerations that may be relevant to a decision to invest in, own, hold, or dispose of Shares and is not intended as tax advice to any particular investor or potential investor. Prospective investors should consult their own professional advisers as to the implications of buying, holding or disposing of Shares and to the provisions of the laws of the jurisdiction in which they are subject to tax. This summary does not describe any tax consequences arising under the laws of any state, locality or taxing jurisdiction other than Luxembourg.

1. The SICAV

1.1. Tax treatment

The SICAV is not subject to taxation in Luxembourg on its income, profits or gains. The SICAV is not subject to net wealth tax in Luxembourg. No stamp duty, capital duty or other tax will be payable in Luxembourg upon the issue of the Shares.

The SICAV is, nevertheless, in principle, subject to subscription tax ("*taxe d'abonnement*") levied at the rate of 0.05% per annum based on its total net assets at the end of the relevant quarter, calculated and paid quarterly.

A reduced subscription tax rate of 0.01% per annum is, however, applicable to:

- the SICAV or any Sub-Fund provided that they are authorised as money market funds in accordance with Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, hereinafter "Regulation (EU) 2017/1131", without prejudice to Article 175, letter b) of the Law of 2010;

- any Sub-Fund or Class of Shares provided that their Shares are exclusively held by one or more Institutional Investor(s).

A subscription tax exemption applies to:

- the portion of any Sub-Fund's assets invested in another Luxembourg investment fund or any of its sub-funds to the extent that such other fund or sub-fund is subject to subscription tax;

- any Sub-Fund (i) whose Shares are reserved for Institutional Investor(s), and (ii) that is authorised as short-term money market funds in accordance with Regulation (EU) 2017/1131 and (iii) that have obtained the highest possible rating from a recognised rating agency. If several Classes of Shares are in issue in the relevant Sub-Fund, only those Classes of Shares meeting (i) above will benefit from this exemption;

- any Sub-Fund whose Shares are reserved for (i) institutions for occupational retirement pension or similar investment vehicles, set up on one or more employers' initiative for the benefit of their employees and (ii) companies of one or more employers investing funds they hold, to provide retirement benefits to their employees and (iii) savers in the context of a pan European personal pension product established under Regulation (EU) 2019/1238 of the European Parliament and of the Council of 20 June 2019 on a pan-European personal pension product (PEPP);

- any Sub-Fund, whose main objective is the investment in microfinance institutions; and

- any Sub-Fund (i) whose securities are listed or traded on a stock exchange and (ii) whose exclusive object is to replicate the performance of one or more indices. If several Classes of

Shares are in issue in the relevant Sub-Fund, only those Classes of Shares meeting (i) above will benefit from this exemption.

1.2. Withholding tax

The SICAV may be subject to source taxation at varying rates in the countries of origin of its investments, e.g. withholding tax on dividends or interest and tax on capital gains. The SICAV may benefit from double tax treaties entered into by Luxembourg, which may provide for exemption from, or reduction of, withholding tax.

Distributions made by the SICAV as well as redemption and liquidation proceeds and capital gains derived therefrom are not subject to withholding tax in Luxembourg.

2. The Shareholders

2.1. Luxembourg resident individuals

Capital gains realised on the sale or redemption of the Shares by Luxembourg resident individual investors who hold the Shares in their personal portfolios (and not as business assets) are generally not subject to Luxembourg income tax except if:

- the Shares are sold within 6 months from their subscription or purchase; or
- if the Shares constitute a substantial shareholding. A shareholding is considered as substantial when the seller holds or has held, alone or with his/her spouse and underage children, either directly or indirectly at any time during the five years preceding the date of the disposal, more than 10% of the share capital of the SICAV.

Distributions made by the SICAV will be subject to Luxembourg personal income tax which is levied based on a progressive income tax scale.

2.2. Luxembourg resident corporate entities

Unless they benefit from a special tax regime, Luxembourg corporate entity investors are generally subject to Luxembourg corporate income tax and municipal business tax on the distributions received from the SICAV and the capital gains realised upon disposal of the Shares.

In addition, the Shares may form part of the taxable net wealth of the Luxembourg corporate entity investors (unless they benefit from a special tax regime).

2.3. Foreign individuals and corporate entities

Non-resident individuals or collective entities which do not have a permanent establishment in Luxembourg to which the Shares are attributable are neither subject to Luxembourg taxation on capital gains realised upon disposal of the Shares nor on the distribution received from the SICAV. Indeed, according to the Luxembourg tax law:

- capital gains realised by non-resident investors upon disposal of shares in a Luxembourg collective investment vehicle established under corporate form, such as the Shares of the SICAV, should not be subject to taxation in Luxembourg, provided such shares are not attributable to a permanent establishment in Luxembourg;
- distributions (dividends and redemption proceeds) by a collective investment vehicle, such as the SICAV, should not suffer any Luxembourg withholding tax.

Non-resident individuals or collective entities which have a permanent establishment or a permanent representative in Luxembourg, to which the Shares are attributable, must include any income received, as well as any gain realised on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg tax assessment purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Non-resident investors are advised to consult their tax counsel as regards potential tax implications in their country of tax residence.

3. Automatic exchange of information for tax purposes

3.1. FATCA

On 28 March 2014, the Grand Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. The IGA was implemented in Luxembourg by the law of 24 July 2015 relating to FATCA (the "FATCA Law"). Under the FATCA Law, the SICAV may be required to collect information aiming to identify its Shareholders of record (i.e. Shareholders duly registered in the SICAV's register of Shareholders) and in certain cases their controlling persons that are Specified US Persons for FATCA purposes ("FATCA reportable accounts"). Any such information on FATCA reportable accounts provided to the SICAV will be shared with the Luxembourg tax authorities which will exchange that information with the US tax authorities (the Internal Revenue Service, "IRS").

To ensure its compliance with the FATCA Law, the SICAV and/or the Management Company, in its capacity as the SICAV's Management Company, may:

- request information or documentation, including forms W-8, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Shareholder's FATCA status;
- report information concerning Shareholders of record (including their controlling persons) to the Luxembourg tax authorities if such account is deemed a FATCA reportable account under the FATCA Law;
- deduct applicable US withholding taxes from certain payments made to a Shareholder of record by or on behalf of the SICAV in accordance with the FATCA Law; and
- divulge any such personal information to any immediate payer of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

By investing in the SICAV, the Shareholders acknowledge that (i) the SICAV is responsible for the treatment of the personal data provided for in the FATCA Law; (ii) the personal data will inter alia be used for the purposes of the FATCA Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the IRS; (iv) responding to FATCA-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

If an amount in respect of FATCA were to be deducted or withheld from interest, principal or other payments on or with respect to the Shares, the SICAV would have no obligation to pay additional amounts or otherwise indemnify a holder for any such withholding or deduction by the SICAV or and other party as a result of the deduction or withholding of such amount.

3.2. CRS

The Organisation for Economic Co-operation and Development has developed a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information on a global basis.

On 29 October 2014, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. On 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (the "Euro-CRS Directive") was adopted in order to implement the CRS among the Member States. The Euro-CRS Directive was implemented in Luxembourg by the law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation ("CRS Law").

The CRS Law requires Luxembourg financial institutions to identify financial account holders (including certain entities and their controlling persons) and establish if they are fiscally resident in (i) an EU Member State other than Luxembourg or (ii) a jurisdiction which has signed the Multilateral Agreement and which is identified in the list of reportable jurisdictions published by Grand Ducal Decree ("CRS Reportable Accounts"). Luxembourg financial institutions will then report financial account information of the assets holder to the Luxembourg tax authorities (*Administration des Contributions Directes*), which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis.

Accordingly, the SICAV may require the Shareholders of record (including their controlling persons) to provide information or documentation in relation to their identity and fiscal residence in order to ascertain their CRS status and report information regarding a Shareholder and his/her/its account holding in the Fund to the Luxembourg tax authorities (Administration des Contributions Directes) if such an account is deemed a CRS Reportable Account under the CRS Law.

By investing in the SICAV, the Shareholders acknowledge that (i) the SICAV is responsible for the treatment of the personal data provided for in the CRS Law; (ii) the personal data will inter alia be used for the purposes of the CRS Law; (iii) the personal data may be communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*) and to the tax authorities of CRS reportable jurisdictions; (iv) responding to CRS-related questions is mandatory; and (v) the Shareholders have a right of access to and rectification of the data communicated to the Luxembourg tax authorities (*Administration des Contributions Directes*).

3.3. DAC 6

On 5 June 2018, the latest amendment to the Directive on Administrative Cooperation including a new set of rules on Mandatory Disclosure of Cross-border Tax Arrangements by EU intermediaries ("DAC 6") was published in the EU official journal. DAC 6 provides for a mandatory disclosure of certain cross-border arrangements by intermediaries or relevant taxpayers to the tax authorities and mandates automatic exchange of this information among EU member states. As a result, intermediaries (not benefitting from an exemption) which assist or take part in their clients' cross-border tax arrangements may be obliged to report these arrangements to their tax authorities. The arrangement should be reported within thirty days beginning on the day after the arrangement is made available by the intermediary to the taxpayer or is ready for implementation or when the first step of such arrangement has been made (whichever occurs first).

Starting from 1 January 2021, reportable arrangements must be reported within thirty days from the earliest of (i) the day after the reportable arrangements is made available for implementation or (ii) the day after the reportable arrangements is ready for implementation or (iii) the day when the first step in the implementation of the reportable arrangements has been made.

In the light of the broad scope of DAC6, transactions carried out by the SICAV may fall within the scope of DAC6 and thus be reportable.

Therefore, in the framework of DAC 6, the SICAV and/or the Management Company, in its capacity as the SICAV's Management Company, may report information concerning Shareholders to the Luxembourg tax authorities which may exchange that information with the tax authorities of the relevant EU member states.

GENERAL INFORMATION

Organisation:

SANTANDER SICAV is an investment company organised as a société anonyme under the laws of the Grand-Duchy of Luxembourg and qualifies as a *société d'investissement à capital variable* (SICAV). The SICAV was incorporated in Luxembourg on 27 October 1993 for an unlimited period, with an initial capital of DEM 60,000. – under the initial denomination of SANTANDER INVESTMENT SICAV. Extraordinary General Meetings of the Shareholders dated 26 January 2000 and 29 December 2000 changed the name of the SICAV into BSCH INTERNATIONAL SICAV and SANTANDER CENTRAL HISPANO SICAV, respectively. An Extraordinary General Meeting of the Shareholders dated 9 December 2005 has changed the name of the SICAV into the current name. The initial Articles of Incorporation were published in the ***Mémorial***, *Recueil Spécial des Sociétés et Associations*, of Luxembourg, on 27 November 1993. The Articles of Incorporation have been amended for the last time on 8 September 2021 and changes were published in the ***Mémorial*** on 23 September 2021. The SICAV is registered with the *Registre de Commerce et des Sociétés,* Luxembourg under number B 45.337.

The minimum capital of the SICAV is the amount which is required by Luxembourg law.

The capital of the SICAV is at any time equal to the sum of the net assets of the various Sub-Funds.

The Shares:

The Shares are freely transferable and entitled to participate equally in the profits and dividends of the Sub-Fund or Class of a Sub-Fund to which they relate and in the net assets of that Sub-Fund or Class of a Sub-Fund upon liquidation.

The Shares, which are of no par value and which must be fully paid upon issue, carry no preferential or pre-emptive rights and are entitled each to one vote at all meetings of Shareholders and/or as appropriate of each Class or Sub-Fund. Shares, which are redeemed by the SICAV are cancelled upon redemption. The Board has resolved that the SICAV may not issue warrants, options or other rights to subscribe for Shares to its Shareholders or to other persons.

The SICAV may restrict or prevent the ownership of Shares by any person, firm or corporation, if such holding appears to be detrimental to the SICAV or to the majority of its Shareholders or if this person, firm or corporation does not fulfil the eligibility criteria to become investors in a Class of Shares. More specifically, the SICAV may restrict the ownership of Shares by any national, citizen or resident of, or any corporation or partnership created and organised in, the United States of America or its territories ("US Person") and where it appears to the SICAV that any person who is precluded from holding Shares either alone or in conjunction with any other person is a beneficial owner of Shares, the SICAV may compulsorily purchase all the Shares so owned.

Meetings and Reports:

The annual general meeting of shareholders will be held at the registered office of the SICAV or at such other place in Luxembourg decided by the Board of Directors at any date and time decided by the Board of Directors but no later than six months from the end of the SICAV's previous financial year.

Resolutions of meetings of Shareholders will apply to the SICAV as a whole and to all Shareholders, provided that any amendment affecting the rights attached to the Shares of any Class or Sub-Fund and the rights of the holders of such Shares may further be submitted to a prior vote of the Shareholders of the relevant Class or Sub-Fund as far as the Shareholders of the Class or Sub-Fund in question are present.

Except as otherwise required by law or as otherwise provided in the Articles of Incorporation, resolutions at a meeting of Shareholders duly convened will be passed by a simple majority of those present or represented and voting.

Under the conditions set forth in Luxembourg laws and regulations, the notice of any general meeting of Shareholders may provide that the quorum and the majority at this general meeting shall be determined according to the Shares issued and outstanding at midnight (Luxembourg time) on the fifth day prior to the general meeting (the "Record Date"), whereas the right of a Shareholder to attend a general meeting of Shareholders and to exercise the voting rights attaching to his/its/her Shares shall be determined by reference to the Shares held by this Shareholder as at the Record Date.

The Board of Directors may determine all other conditions that must be fulfilled by Shareholders for them to take part in any meeting of Shareholders.

Audited annual reports will be published within 4 months after the financial year-end and unaudited semi-annual statements will be published within 2 months after the end of the relevant period. Such reports will be made available at the registered office of the SICAV during normal business hours.

The financial year-end of the SICAV will be the last day of December of each year.

Pooling of Assets:

For the purpose of effective management and proper internal administrative, custodial and accounting treatment, the Board of Directors and the Management Company may invest and manage all or part of the assets relating to two or more Sub-Funds on a pooled basis.

Such pools may not be considered as separate legal entities and any notional accounting units of a pool of assets shall not be considered as shares. Shares of the SICAV do not relate to such pools of assets, but only to each relevant Sub-Fund which may participate therein with certain assets for internal purposes stated above.

Any such asset pool(s) shall be formed by transferring from time to time from the participating Sub-Funds to the pool(s) cash, securities or other permitted assets (subject to such assets being appropriate with respect to the investment objective and policies of the relevant Sub-Funds). Thereafter, the Board of Directors may from time to time make further transfers to each asset pool. Assets may also be withdrawn from the asset pool and transferred back to the relevant Sub-Fund up to its entitlement therein, which shall be measured by reference to notional accounting units in the asset pool(s).

Such accounting units shall upon the formation of the asset pool be expressed in EUR or in such currency as the Board of Directors shall consider appropriate and shall be allocated to each participating Sub-Fund in an aggregate value equal to the cash, securities and/or other permitted assets contributed; the value of the notional accounting units of a pool of assets shall be determined on each relevant Valuation Day by dividing its net assets (being its total asset less its relating total liabilities) by the number of notional units issued and/or subsisting and shall be rounded to the nearest fraction as determined by the Board of Directors.

When additional cash or assets are contributed to or withdrawn from an asset pool, the allocation of units of the participating Sub-Fund concerned will be increased or reduced, as the case may be, by the number of units determined by dividing the amounts of cash or the value of assets contributed or withdrawn by the current value of a unit. Where a contribution is made in cash, it will be treated for the purpose of this calculation as reduced by an amount which the Board of Directors considers appropriate to reflect fiscal charges and dealing and purchase costs which may be incurred in investing the cash concerned; in the case of cash withdrawal, a corresponding addition will be made to reflect costs which may be incurred in realising securities or other assets of the asset pool.

The entitlements of each participating Sub-Fund to the co-managed assets apply to each and every line of investment of such pool.

Dividends, interest and other distributions of an income nature received in respect of the assets in an asset pool may be immediately credited to the participating Sub-Funds in proportion to their respective participation in the asset pool at the time of receipt. Upon the dissolution of the SICAV, the assets in an asset pool will (subject to the claims of the creditors) be allocated to the participating Sub-Funds in proportion to their respective participation in the asset pool.

Dissolution:

If the capital of the SICAV falls below two-thirds of the minimum capital, the Board of Directors must submit the question of the dissolution of the SICAV to a general meeting of Shareholders for which no quorum shall be prescribed and which shall decide the matter by a simple majority of the Shares present or represented at the meeting. If the capital of the SICAV falls below one-fourth of the minimum capital, the Board of Directors must submit the question of the dissolution of the SICAV to a general meeting of Shareholders for which no quorum shall be prescribed; dissolution may be resolved by Shareholders holding one-fourth of the Shares present or represented at the meeting.

The meeting must be convened so that it is held within a period of forty days from the ascertainment that the net assets have fallen to two-thirds or one-fourth of the minimum capital, as the case may be.

In the event of voluntary liquidation, the operations shall be conducted by one or several liquidators, who shall be appointed by a Shareholders' extraordinary general meeting which shall determine their powers and compensation.

The net product of the liquidation relating to each Sub-Fund shall be distributed to the Shareholders in the relevant Sub-Fund in the proportion of the number of Shares which they hold in such Sub-Fund.

Should the SICAV be voluntarily or compulsorily liquidated, then its liquidation will be carried out in accordance with the provisions of the Law which specifies the steps to be taken to enable Shareholders to participate in the liquidation distribution(s) and in this connection provides for deposit in escrow at the *Caisse de Consignation* of any such amounts which have not been claimed by any Shareholder as at the close of the liquidation.

Amounts not claimed from escrow within the prescription period are liable to be forfeited in accordance with the provisions of Luxembourg law.

When they deem it to be in the interest of the Shareholders, the Directors may decide to merge or to liquidate one or more Sub-Fund(s) by cancellation of the Shares of the relevant Sub-Fund(s) and reimbursing to the Shareholders concerned the full net asset value of the Shares of such Sub-Fund(s). Notices of such decisions will be sent to the Shareholders by post at their address in the register of Shareholders.

The Shareholders of the Sub-Fund(s) to be liquidated may continue to ask for the redemption of their Shares until the effective date of the liquidation. Redemptions made under these circumstances will be without any cost to the Shareholders concerned. The proceeds of liquidation not claimed by the Shareholders entitled thereto as at the close of the operations of liquidation will be deposited at the *Caisse de Consignation*, as described above.

Pending the completion of such a merger, Shareholders of the Sub-Fund(s) to be merged may continue to ask for the redemption of their Shares, this redemption being made without cost to the Shareholders during a minimum period of 30 days beginning on the date of publication of the decision of merger. At the end of that period, all the remaining Shareholders will be bound by the decision of merger. The same

applies in case of merger with another Luxembourg collective investment undertaking in transferable securities governed or not by the Law.

The Board of Directors may also, subject to regulatory approval (if required), decide to consolidate or split any Classes within a Sub-Fund. To the extent required by Luxembourg law, such decision will be published or notified in the same manner as described above and the publication and/or notification will contain information in relation to the proposed split or consolidation.

The Board of Directors may also decide to submit the question of the consolidation or split of Class(es) to a meeting of holders or such Class(es). No quorum is required for this meeting and decisions are taken by the simple majority of the votes cast.

Determination of the Net Asset Value of Shares:

The net asset value of the Shares of each Sub-Fund is determined in its reference currency, as indicated in the relevant Appendix of each Sub-Fund. The net asset value per Share of each Class of Shares of each Sub-Fund shall be determined as of each Dealing Day "D" and calculated on the following Business Day (D+1) ("Valuation Day") by dividing the total net assets attributable to the relevant Class of each Sub-Fund, being the value of assets of the relevant Sub-Fund attributable to each Class less the liabilities attributable to each such Class calculated at such time as the Board of Directors shall have set for such purpose, by the number of Shares of the relevant Class then outstanding. The calculation of the net asset value per Share is made with four decimals rounded up or down to the nearest unit of the reference currency of each Sub-Fund.

Unless otherwise indicated in the Appendices, a "Dealing Day" will be any full Business Day.

The net asset value of the SICAV is equal to the sum of the net assets of the various Sub-Funds converted into EUR at the rates of exchange prevailing in Luxembourg on the relevant Dealing Day.

The amount of the relevant net asset value per Share expressed in any other currency than the reference currency is determined on the basis of the exchange rates used for the determination of the net asset value of the Shares of each Class.

In determining the value of the assets of the SICAV, each security and/or money market instrument which is quoted or dealt in on a stock exchange will be valued at its latest available closing price, and where appropriate at the middle market price on the stock exchange which is normally the principal market for such security and/or money market instrument and each security and/or money market instrument dealt in on another regulated market will be valued in a manner as near as possible to that for quoted securities.

The value of securities and/or money market instruments not quoted or dealt in on a stock exchange or another regulated market and of securities and/or money market instruments which are so quoted or dealt in but in respect of which no price quotation is available or the price quoted is not representative of the securities' and/or money market instruments' fair market value shall be determined prudently and in good faith on the basis of their reasonably foreseeable sales prices.

If since the close of business, there has been a material change in the quotations on the markets on which a substantial portion of the investments are dealt or quoted, the SICAV may, in order to safeguard the interests of Shareholders and of the SICAV, cancel the first valuation and carry out a second valuation prudently and in good faith.

Shares or units in underlying open-ended investment funds shall be valued at their last available calculated net asset value.

The value of the assets denominated in a currency other than the reference currency of the relevant Sub-Fund will be translated at the rate of exchange prevailing at the time of determination of the net asset value.

The liquidating value of futures, forward or options contracts not traded on exchanges or on other organized markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other organized markets shall be based upon the last available settlement prices of these contracts on exchanges and organized markets on which the particular futures, forward or options contracts are traded by the SICAV; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable.

The Swaps will be marked to market on the basis of net present value calculations using current market rates, and the value of the Swap will be expressed as a percentage of the net asset value of the relevant Sub-Fund. The management of the SICAV commits to provide regular independent valuations for the Swaps.

For the purpose of allocating the assets and liabilities as between the Sub-Funds, the Board of Directors has established a portfolio of assets for each Sub-Fund in the following manner:

a) the proceeds from the issue of Shares of each Sub-Fund will be applied in the books of the SICAV to the portfolio established for that Sub-Fund and the assets and liabilities and income and expenditure attributable to such portfolio, subject to the provisions set forth hereafter;

b) where any asset is derived from another asset, such derivative asset will be applied in the books of the SICAV to the same portfolio as the asset from which it was derived and on each revaluation of an asset, the increase or decrease in value will be applied to the relevant portfolio;

c) where the SICAV incurs a liability which relates to any asset of a particular portfolio or to any action taken in connection with an asset of a particular portfolio, such liability will be allocated to the relevant portfolio;

d) in the case where any asset or liability of the SICAV cannot be considered as being attributable to a particular portfolio, such asset or liability shall be allocated to all portfolios in equal parts or, if the amounts so require, pro rata to the value of the respective net assets of each portfolio. The Board of Directors may reallocate any asset or liability previously allocated if in its opinion circumstances so require;

e) upon the payment of dividends to the Shareholders of any Sub-Fund, the net asset value of such Sub-Fund shall be reduced by the amount of such dividends;

f) all other assets will be valued at their respective fair values as determined in good faith by the Directors in accordance with generally accepted valuation principles and procedures;

g) if any of the aforementioned valuation principles do not reflect the valuation method commonly used in specific markets or if any such valuation principles do not seem accurate for the purpose of determining the value of the SICAV's assets, the Board of Directors may fix different valuation principles in good faith and in accordance with generally accepted valuation principles and procedures.

The net asset value per Share of each Class and the issue and redemption prices thereof are available at the registered office of the SICAV.

Temporary Suspension of Determination of the Net Asset Value and of Issues, Redemptions and Conversions:

The SICAV may suspend the determination of the net asset value of Shares of one or more Sub-Funds and the issue and redemption of the Shares in such Sub-Funds as well as the conversion from and to Shares of such Sub-Funds during:

1. any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of any Sub-Fund of the SICAV from time to time is quoted, is closed, or during which dealings thereon are restricted or suspended; or

2. the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by any Sub-Fund of the SICAV would be impracticable; or

3. any breakdown in the means of communication normally employed in determining the price or value of any of the investments attributable to any Sub-Fund or the current prices or values on any market or stock exchange; or

4. any period when the SICAV is unable to repatriate funds for the purpose of making payments on the redemption of Shares of any Sub-Fund or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares of any Sub-Fund cannot in the opinion of the Directors be effected at normal prices or rates of exchange; or

5. during any period when in the opinion of the Board of Directors there exists unusual circumstances where it would be impractical or unfair towards the shareholders to continue dealing in the shares of the SICAV or of any Sub-Fund or any other circumstances, or circumstances where a failure to do so might result in the shareholders of the SICAV, a Sub-Fund incurring any liability to taxation or suffering other pecuniary disadvantage or other detriment which the shareholders of the SICAV, or a Sub-Fund might not otherwise have suffered; or

6. if the SICAV or a Sub-Fund is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or notice is given to shareholders of a general meeting of shareholders at which a resolution to wind-up the SICAV, or a Sub-Fund is to be proposed; or

7. in the case of a merger, if the Board of Directors deems this to be justified for the protection of the shareholders; or

8. in the case of a suspension of the calculation of the net asset value of one or several underlying investment funds in which a Sub-Fund has invested a substantial portion of assets.

Without prejudice to what may be otherwise provided in this Prospectus, any such suspension will be published by the SICAV if in the opinion of the Board of Directors, it is likely to exceed fourteen days.

Any such suspension of the calculation of the net asset value of the Shares of one Sub-Fund does not entail the suspension of the calculation of the net asset value of the Shares of other Sub-Funds if the circumstances referred to above do not exist in respect of the assets relating to the other Sub-Funds.

Swing Pricing Mechanism:

A Sub-Fund may suffer a reduction in value, known as "dilution" when trading the underlying investments as a result of net inflows or net outflows of the respective Sub-Fund. This can be due to a number factors, including but not limited to bid/offer spreads and transaction costs of underlying securities, taxation, fiscal and other applicable trading charges, subscription and redemptions fees of underlying funds (if applicable), the prevailing liquidity and the size of the transaction in the markets in which the Sub-Funds invest in. To counter this effect and to protect shareholders' interests the Management Company may adopt a swing pricing mechanism as part of its valuation policy. This means that in certain circumstances the Management Company may adjust to the net asset value per Share to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

If on any Valuation Day, the aggregate net investor(s) transactions in a Sub-Fund exceed a pre-determined threshold, the net asset value per Share may be adjusted upwards or downwards to reflect the costs attributable to the net capital activity of the Sub-Fund. Typically, such adjustments will increase the net asset value per Share when positive net capital activities occur in the Sub-Fund and decrease the net asset value per Share when capital activities are negative. The Management Company is responsible for setting the threshold (subject to the approval by the Board of Directors of the SICAV), which will be a percentage of the net assets of the respective Sub-Fund for the Valuation Day. The threshold is based on objective criteria such as the size of a Sub-Fund and the dealing costs for a Sub-Fund and should be revised from time to time and approved by the Board of Directors of the SICAV). Sub-Funds can operate a full swing pricing mechanism where the threshold is set to zero or a partial swing pricing mechanism where the threshold is greater than zero. Unless explicitly noted in the Sub-Fund appendix, the partial swing pricing mechanism applies by default.

The swing pricing mechanism may be applied across all the Sub-Funds, as disclosed in their Appendix. The percentage by which the net asset value is adjusted (the "Swing Factor") will be set by the Board of Directors and subsequently reviewed on a periodic basis to reflect an approximation of current dealing and other costs. The Swing Factor may vary from Sub-Fund to Sub-Fund due to different transaction costs in certain jurisdictions on the sell and the buy side but will not under normal circumstances exceed 2% of the original net asset value per Share under normal conditions. In exceptional circumstances, such as unusually large Shareholders' trading activities or exceptional market conditions, and if it is deemed to be in the best interest of Shareholders, the Board of Directors reserves the right to increase the Swing Factor to a maximum of 5% of the original net asset value per Share. Whenever the Board of Directors exercises such right to increase the Swing Factor, the relevant notice shall be made available online at www.santanderassetmanagement.lu.

Swing pricing is applied on the capital activity at the level of a Sub-Fund (aggregate of inflows and outflows) and does not address the specific circumstances of each individual investor transaction. The decision to swing is based on the overall net-flows into a Sub-Fund, not per Share Class.
The net asset value per Share of each Share Class in a Sub-Fund will be calculated separately but any adjustment will be made on Sub-Fund level and in percentage terms, equally affecting the net asset value per Share of each Share Class. If swing pricing is applied to a Sub-Fund on a particular Valuation Day, the net asset value adjustment will be applicable to all transactions placed on that day. The swing pricing adjustments aim to protect the overall performance of Sub-Funds, to the benefit of existing investors.

For the avoidance of doubt, any applicable performance fee will be charged on the basis of an unswung net asset value per Share.

Investors are advised that the volatility of the Sub-Fund's net asset value might not reflect the true portfolio performance as a consequence of the application of swing pricing.

The swung price should be used for performance reporting in monthly factsheets and marketing material.

Conflicts of interest:

The Management Company applies, in accordance with Luxembourg laws and regulations, appropriate organisational and administrative arrangements to identify, prevent, manage and monitor conflicts of interest in order to protect the interests of the SICAV and the Shareholders.

However, the Management Company and other companies of Santander Asset Management Group may from time to time act as investment managers or advisers to other funds and/or clients in the course of their business being confronted to potential conflicts of interest.

In the event any conflict of interest actually arises, the Directors of the SICAV will resolve fairly and in the best interest of the SICAV and the Shareholders.

Where the measures taken by the Management Company to prevent and manage such conflicts of interest are not sufficient to ensure a conflict to be prevented, this situation shall be disclosed to the Shareholders and appropriate procedures shall be developed and implemented.

Shareholders may find reference to the policies and procedures available to investors for consultation in the sub-section "Documentation" of the section "General Information" of this Prospectus.

The Distributors and other financial intermediaries may receive a percentage of the Fund management fees without incurring any additional cost to the investor.

Documentation:

The following documents and contracts, not being contracts entered into in the ordinary course of business, have been entered or produced and are material:

- The Articles of Incorporation
- The Collective Portfolio Management Agreement
- The Investment Management Agreements
- The Depositary and Global Custody Agreement
- The Administration Agreement
- The Nominee Agreements
- The KID which inter alia include a link to the historical performance of each Sub-Fund

Documents referred to above are available for inspection during usual business hours at the registered office of the SICAV in Luxembourg.

A copy of the Articles of Incorporation and of its most recent financial statements may be obtained free of charge upon request at the registered office of the SICAV.

Additional information which the Management Company must make available to investors in accordance with Luxembourg laws and regulations such as but not limited to Shareholder complaints handling procedures, conflicts of interest rules, voting rights policy of the Management Company etc., shall be available at the registered office of the Management Company.

Benchmark Regulation:

Unless otherwise disclosed in respect of the relevant Sub-Fund in the Appendix, the indices or benchmarks used by the Sub-Funds are either non-EU benchmarks included in ESMA's register of third country benchmarks or provided by benchmark administrators which have been included in ESMA's register of benchmark administrators or provided by benchmark administrators which are located in a Non-EU country who benefit from the transitional arrangements set out in article 51(5) of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds ("Benchmark Regulation") and accordingly have not yet been included in the register of third country benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation.

EU Benchmark administrators were required to apply for authorisation or registration as a benchmark administrator under the Benchmark Regulation before 1 January 2020. The inclusion of any non-EU benchmark that may be used by a Sub-Fund, within the meaning of the Benchmark Regulation, in the ESMA register of third country benchmarks, will be reflected in the Prospectus at its next update in the Appendix relating to the relevant Sub-Fund.

In case a benchmark is used under the Benchmark Regulation, further information on the benchmark administrator can be found in the relevant Sub-Fund Appendix.

The Management Company implements a written plan setting out the actions that will be taken in the event of a benchmark materially changing or ceasing to be provided. This plan is available upon request and free of charge at the registered office of the Management Company.

Shareholders notices:

All information to Shareholders the publication of which is required in a newspaper shall be published in a newspaper in the Grand Duchy of Luxembourg, subject to publication of further notice as described herein. Notices to Shareholders are otherwise sent to them by mail at their registered address. Notifications or other communications to Shareholders concerning their investment in the SICAV may also be posted on the website www.santanderassetmanagement.lu.

Further information:

For further information, please contact:

- J.P. Morgan SE, Luxembourg Branch
  (opening hours Luxembourg time from 8 a.m. to 5 p.m.)
  6, route de Trèves
  L-2633 Senningerberg
  Phone: +352 462851

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APPENDIX 1

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GO SHORT DURATION DOLLAR

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class B
- Class BE
- Class I
- Class M
- Class S

3. Investment Policy

The Sub-Fund seeks to achieve a return in excess of US money markets by investing primarily in USD-denominated short-term debt securities. This may include, but is not limited to government bonds (US Treasury securities, securities issued or guaranteed by the US government or its agencies), corporate debt securities and cash.

The Investment Manager will seek to achieve this excess return by taking a comprehensive view according to its own economic outlook in order to determine appropriate interest rate and sector positioning. The Investment Manager will also undertake fundamental analysis on companies to identify suitable investment opportunities in the corporate credit universe. In contrast to a money market fund subject to Regulation (EU) 2017/1131 on money market funds (the "Money Market Fund Regulation"), the Investment Manager can also incorporate longer-term investments, where appropriate, for additional return potential.

For the avoidance of doubt, this Sub-Fund does not qualify as a money market fund within the meaning of the Money Market Fund Regulation and should not be treated as a substitute for a money market fund.

The weighted average duration of the portfolio will not exceed one year, and the initial or remaining maturity of each debt security in which the Sub-Fund can invest will not exceed three years from the date of settlement.

The investments in this Sub-Fund will have at least an investment grade rating by major rating agencies or market benchmarks. All long term securities will be rated at least A- or A3 (or the equivalent) at the time of purchase and all short term securities will be rated at least A-2/P-2 (or the equivalent) at the time of purchase. For split rated securities, the lowest rating shall prevail. In the event that an issuer's credit rating is downgraded below the minimum described above, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific

characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund.

On an ancillary basis, the Sub-Fund may invest up to 10% of its assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

For efficient portfolio management and for hedging purposes, the Sub-Fund may also invest in financial derivative instruments, such as interest rate futures, government bond futures and currency forwards, within the limits stated under the headline "Techniques and Instruments".

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA 0-3 Month US Treasury Bill Index (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

4. Management Fees

The Management Company will be paid an annual management fee of

- 0.70% for Class A Shares
- 0.40% for Class B Shares and Class BE Shares
- 0.15% for Class I Shares
- 0.12% for Class M Shares
- 0.15% for Class S Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Investments held in this Sub-Fund may have higher risk than that of a money market fund. This is due to the fact that the positions held in the investment portfolio of this Sub-Fund normally have a higher duration and a slightly lower liquidity than those held in a monetary fund.

All debt securities (bonds) including those issued or guaranteed by governments and their agencies carry credit risk and interest rate risk. Government debt securities are subject to market risk, interest rate risk and credit risk. Governments may default on their sovereign debt and holders of sovereign debt (including the Sub-Fund) may be requested to participate in the rescheduling of such debt and to extend further loans to the governmental entities. There is no bankruptcy proceeding by which sovereign debt on which a government has defaulted may be collected in whole or in part. Global economies are highly dependent on one another and the consequences of the default of any sovereign state may be severe and far reaching and could result in substantial losses to the Sub-Fund.

With investment grade debt securities, the likeliest form of credit risk is a credit downgrade, which typically will cause a security's value to fall. It is unlikely, though not unknown, for an investment grade bond to go into default. The downgrading of debt securities may affect the liquidity of investments in bonds. Other market participants may be attempting to sell debt securities at the same time as a Sub-Fund, causing downward pricing pressure and contributing to illiquidity. The ability and willingness of bond dealers to "make a market" in debt securities may be impacted by both regulatory changes as well as the growth of bond markets.

This could potentially lead to decreased liquidity and increased volatility in the debt markets.

Bonds are particularly susceptible to interest rate changes and may experience significant price volatility. If interest rates increase, the value of the Sub-Fund's investments typically declines. In a historically low interest environment, risks associated with rising interest rates are heightened. On the other hand, if interest rates fall, the value of the investments generally increases. Securities with greater interest rate sensitivity and longer maturities tend to produce higher yields, but are subject to greater fluctuations in value.

7. Investor profile

This Sub-Fund invests primarily in short-term debt securities with the objective of achieving returns in excess of US money markets instruments over a comparable period. Therefore the Sub-Fund may be suitable for investors looking for potentially higher returns than a money market fund, but who are prepared to accept a higher level of risk and fluctuations in value, caused by factors such as changing interest rates and the credit worthiness of bond issuers.

The Sub-Fund is intended for long-term investment. Investors should understand the risks involved, including the risk of losing all capital invested.

APPENDIX 2

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER LATIN AMERICAN CORPORATE BOND

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AD
- Class AE
- Class AEH
- Class B
- Class F
- Class I
- Class ID
- Class IE
- Class IK
- Class ME
- Class RKP
- Class V

3. Investment Minimum

Shares of Class A may only be acquired by investors subscribing for a minimum amount of USD 6,000.

Shares of Class AD may only be acquired by investors subscribing for a minimum amount of USD 6,000.

Shares of Class F may only be acquired by investors subscribing for a minimum amount of USD 10,000,000.

4. Investment Policy

Without prejudice to what is provided for below, this Sub-Fund will invest more than 50% of its assets in corporate bonds, the rest of the portfolio will be invested in sovereign and quasi sovereign debt instruments. A minimum of 60% of this Sub-Fund's net assets will be invested in securities denominated in USD. Credit and currency risk might increase the return of this Sub-Fund.

This Sub-Fund will invest most of its assets in debt instruments issued by Mexican, Brazilian, Argentinean and Chilean companies or companies that derive more than 60% of their revenues from their operations in the region and by local sovereign or quasi-sovereign issuers. Debt instruments issued by other Latin American issuers will also be held when advisable and where minimum liquidity of market is assured.

This Sub-Fund may invest up to 100% of its portfolio in so-called "non-grade investment" (i.e., fixed income securities that are rated Ba1/BB+ or lower by major rating agencies or market benchmarks), it being understood however that no more than 15% of this Sub-Fund's portfolio will be rated below CCC or Caa2 by major rating agencies or market benchmarks.

This Sub-Fund may, within the limits of the investment restrictions, hold not listed debt instruments.

This Sub-Fund may also invest in other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions. These funds will normally be open-ended and their underlying investments will be mainly liquid assets.

This Sub-Fund may hold assets which will normally be placed in time deposits or risk free assets (i.e. money market instruments such as short term government bills) on an ancillary basis. The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in bonds although depending on the opportunities of the markets it could invest as well in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to the fixed income markets as well as for hedging purposes. These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

This Sub-Fund may combine either type of investment, either direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective.

Benchmark
The Sub-Fund is actively managed in reference to the J.P. Morgan Corporate Broad Diversified EMBI Broad Latin America Index (the “Benchmark”). The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.75% for Class A Shares
- 1.75% for Class AD Shares
- 1.20% for Class AE Shares and Class AEH Shares
- 1.35% for Class B Shares
- 0.25% for Class F Shares

- 0.60% for Class I Shares, Class ID Shares, Class IE Shares and Class IK Shares
- 0.02% for Class ME Shares
- 0.60% for Class RKP Shares
- 0.34% for Class V Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

This specific Sub-Fund bears a higher degree of Credit and Currency risk that might increase its return but must be taken into account. Investors shall pay a particular attention to the risks attached to non-grade investments. The risk of default associated with non-grade investments may be greater and the market for related securities may be less active, making it more difficult to sell these securities at reasonable prices, and also making valuation of these securities more difficult. This Sub-Fund may further incur additional expenses if an issuer defaults and this Sub-Fund tries to recover some of its losses in bankruptcy or other similar proceedings.

Bonds Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio.

Emerging markets: because of the special risks associated with investing in emerging markets, this Sub-Fund should be considered as more speculative. Investors are strongly advised to consider carefully the special risks involved in developing markets, which are greater than the usual risks of investing in foreign securities.

Economies in developing markets generally are dependent heavily upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade.

Brokerage commissions, custodial services and other costs relating to investment in emerging markets generally are more expensive than those relating to investment in more developed markets. Lack of adequate custodial systems in some markets may prevent investment in a given country or may acquire this Sub-Fund to accept greater custodial risks in order to invest, although the Depositary will endeavour to minimise such risks through the appointment of

correspondents that are international, reputable and creditworthy financial institutions. In addition, such markets have different settlement and clearance procedures. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of this Sub-Fund to make intended securities purchases due to settlement problems could cause this Sub-Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security caused by settlement problems could result either in losses to this Sub-Fund due to subsequent declines in value of the portfolio security or, if this Sub-Fund has entered into a contract to sell the security, could result in potential liability to the purchaser.

The risk also exists that an emergency situation may arise in one or more developing markets as a result of which trading of securities may cease or may be substantially curtailed and prices for this Sub-Fund's portfolio securities in such markets may not be readily available.

8. Investor profile

For investors in non-USD denominated Classes, it must be stressed that this Sub-Fund is invested and denominated in USD and thus the investors bear a risk on the evolution of USD against non-USD denominated Classes.

Due to the fact that this Sub-Fund has a certain Credit and Currency risk, it is only suitable for the clients looking for higher return and being able to bear a higher risk level.

APPENDIX 3

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GO NORTH AMERICAN EQUITY

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class APH
- Class B
- Class BEH
- Class C
- Class I
- Class M
- Class ME
- Class RKP
- Class S
- Class SE
- Class V

3. Investment Minimum

There is no minimum investment amount for Shares of Class C.

4. Investment Policy

The investment objective of the Sub-Fund is to invest its assets in a diversified portfolio of securities issued by US and Canadian companies seeking long term capital appreciation. The Sub-Fund will be actively managed with the objective of outperforming the S&P 500® Index (the "Benchmark") net of fees over a three to five year period. This is a target only and not a guaranteed outcome.

Under normal market conditions the Sub-Fund will primarily invest in equities of established large-capitalization companies, seeking attractive investment opportunities on an individual company basis, with a bottom-up stock selection process. This will also include American Depository Receipts (ADRs) and Global Depository Receipt (GDRs). The Investment Manager will favour well-known companies with sustainable competitive advantages and the ability to redeploy capital at high rates of return. The Sub-Fund will invest in companies that are considered underappreciated due to one or more of the following factors: relative lack of coverage, conventional valuation bias, expert bias and short term bias. Usually the investment idea generation will come from regularly analysing company developments, industry experts, and the Investment Manager's fundamental research, among others.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in equities, although depending on the opportunities of the markets it could invest as well in

exchange traded and over-the-counter options, futures and other financial derivative instruments within the limits stated in headline "Techniques and Instruments" to achieve the exposure to equity markets and as further described below.

On an ancillary basis and up to 10% of its assets, the Sub-Fund may invest in debt securities convertible into common shares, preference shares and warrants on securities. The Sub-Fund may invest up to 10% of its net assets in securities issued by non-US and non-Canadian companies.

The Sub-Fund may invest part of its assets in money market instruments to facilitate transactions and flows. The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may invest up to 10% of its net assets in exchange traded funds qualifying as UCITS.

The Sub-Fund will continuously invest at least 51% of its net assets directly or indirectly via UCITS and/or other UCIs in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments the Sub-Fund will take into account the effective equity ratio of the underlying fund.

The Sub-Fund may invest in financial derivative instruments, including futures and swaps, within the limits stated under the headline "Techniques and Instruments" for efficient portfolio management and to gain long or short exposure to assets and markets, as well as for investment, hedging or efficient portfolio management purposes.

Benchmark
The Sub-Fund is actively managed and does neither track the Benchmark nor uses it for portfolio allocation purposes. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid an annual management fee of

- 2.00% for Class A Shares
- 2.00% for Class APH Shares
- 1.30% for Class B Shares
- 1.30% for Class BEH Shares
- 1.40% for Class C Shares
- 0.60% for Class I Shares
- 0.45% for Class M Shares
- 0.45% for Class ME Shares
- 0.60% for Class RKP Shares
- 0.53% for Class S Shares
- 0.53% for Class SE Shares

- 0.45% for Class V Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

8. Investor profile

History has shown that equity investments have the potential to give better long-term returns than money market securities or bonds. However, they are more volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

For investors in non-USD denominated Classes, it must be stressed that this Sub-Fund is invested and denominated in USD and thus the investors bear a risk on the evolution of USD against non-USD denominated Classes.

APPENDIX 4

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER EUROPEAN DIVIDEND

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

EURO (EUR).

2. Classes of Shares

- Class A
- Class AD
- Class AU
- Class B
- Class BUH
- Class I

3. Investment Policy

The principal policy of the SANTANDER EUROPEAN DIVIDEND is to invest its assets in a diversified portfolio of equity securities of European issuers quoted or traded on European official stock exchanges or Regulated Markets while seeking to control economic and monetary risk. This Sub-Fund invests primarily in equity securities of issuers in developed European countries, most of which will pay dividends on those securities. However, this Sub-Fund may invest up to 5% of its net assets in equity securities of issuers in Eastern European countries and Turkey.

In order to achieve this objective, this Sub-Fund will mainly invest its assets in equities although depending on the opportunities of the markets it could invest as well in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets.

These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

The Sub-Fund may combine either type of investment if it considers that the combination might better realise the investment objective.

The Sub-Fund will continuously invest at least 51% of its net assets directly or indirectly via funds in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments the Sub-Fund will take into account the effective equity ratio of the underlying fund.

Furthermore, in case of adverse equities market conditions this Sub-Fund may temporarily be invested up to 49% of its net assets in money market instruments in order to protect the Shareholders interests. The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark

The Sub-Fund is actively managed in reference to the MSCI EUROPE NET HIGH DIVIDEND (the "Benchmark"). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

4. Management Fees

The Management Company will be paid an annual management fee of

- 2.00% for Class A Shares
- 1.75% for Class AD Shares
- 2.00% for Class AU Shares
- 1.50% for Class B Shares
- 1.50% for Class BUH Shares
- 0.60% for Class I Shares

of the average total net assets of the Shares.

As from 16 June 2017, current expenses may be charged against income or capital without any preferred order.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

7. Investor profile

History has shown that equity investments have the potential to give better long-term returns than money market securities or bonds. However, they are much volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

For USD-denominated investors, it must be stressed that the sub-fund is invested and denominated in EUR (except Class AU Shares which are denominated in USD) and that the investors bear a risk on the evolution of the USD against the EUR.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 5

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER AM LATIN AMERICAN FIXED INCOME

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class B
- Class D
- Class I
- Class IE
- Class M

3. Investment Minimum

Shares of Class A may only be acquired by investors subscribing for a minimum amount of USD 6,000.

Shares of Class AE may only be acquired by investors subscribing for a minimum amount of EUR 6,000.

4. Investment Policy

This Sub-Fund will invest most of its assets in sovereign, quasi-sovereign and corporate debt instruments of Latin American issuers. According to the Investment Manager's criteria, the portfolio will be invested focusing on the credit quality of the issuers over the medium term.

All the aforementioned instruments will be traded in the debt markets of the countries comprised in the J.P. Morgan Corporate Broad Diversified EMBI Broad Latin America Index (such as eurobonds issued in USD or in any other foreign currency by Brazilian companies i.e. domiciled in Brazil). Assets may be denominated either in local currency, USD or EUR.

This Sub-Fund may also invest in other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions. These funds will normally be open-ended and their underlying investments will be mainly liquid assets.

This Sub-Fund may hold assets which will normally be placed in time deposits or risk free assets (i.e. money market instruments such as short term government bills) on an ancillary basis.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in bonds although depending on the opportunities of the markets it could invest as well in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to the fixed income markets as well as for hedging purposes. These financial derivative instruments may be traded on either a regulated market mentioned under subparagraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

This Sub-Fund may combine either type of investment, either direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective.

Due to the risk of substantial capital losses inherent in grade and non-grade investments and the limited number of available eligible issuers, the Fund may hold ancillary liquid assets within the limits of the Investment Restrictions in order to avoid holding debt instruments from issuers with a high default probability in time of extraordinary market circumstances.

The Sub-Fund may use financial derivative instruments for investment purposes.

Benchmark
The Sub-Fund is actively managed in reference to the J.P. Morgan Corporate Broad Diversified EMBI Broad Latin America Index (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid an annual management fee of

- 1.75% for Class A Shares and Class AE Shares
- 0.70% for Class B Shares
- 0.70% for Class D Shares
- 0.60% for Class I Shares and Class IE Shares
- 0.29% for Class M Shares

of the average total net assets of the Shares.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk, the Investment Objectives and Policies and the section "Risk Warnings" of the Prospectus.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

This specific Sub-Fund bears a higher degree of Credit and Currency risk that might increase its return but must be taken into account. Investors shall pay a particular attention to the risks attached to non-grade investments. The risk of default associated with non-grade investments may be greater and the market for related securities may be less active, making it more difficult to sell these securities at reasonable prices, and also making valuation of these securities more difficult. This Sub-Fund may further incur additional expenses if an issuer defaults and this Sub-Fund tries to recover some of its losses in bankruptcy or other similar proceedings.

Potential investors should be aware that investments in this Sub-Fund involve, due to the political and economical situation in the emerging markets, a high degree of risk which could adversely affect the value of this Sub-Fund's investments. Such investments should therefore be considered only by professional investors who recognise that participation in this Sub-Fund should be part of a balanced invested portfolio. With respect to certain countries, there is a possibility of expropriation or confiscatory taxation, other adverse changes in tax laws or treaties, political or social instability or diplomatic developments that could affect investments in those countries. Many of the emerging markets are relatively small, have low trading volumes, suffer periods of illiquidity and are characterised by significant price volatility. Investments in this Sub-Fund involve risks such as: restrictions on foreign investment, counterparty risk, higher currency volatility, higher market volatility and the illiquidity of this Sub-Fund's assets depending on the market conditions in certain emerging markets.

Emerging markets: because of the special risks associated with investing in emerging markets, this Sub-Fund should be considered as more speculative. Investors are strongly advised to consider carefully the special risks involved in developing markets, which are greater than the usual risks of investing in foreign securities.

Economies in developing markets generally are dependent heavily upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade.

Brokerage commissions, custodial services and other costs relating to investment in emerging markets generally are more expensive than those relating to investment in more developed markets. Lack of adequate custodial systems in some markets may prevent investment in a given country or may acquire this Sub-Fund to accept greater custodial risks in order to invest, although the Depositary will endeavour to minimise such risks through the appointment of correspondents that are international, reputable and creditworthy financial institutions. In addition, such markets have different settlement and clearance procedures. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of this Sub-Fund to make intended securities purchases due to settlement problems could cause this Sub-Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security caused by settlement problems could result either in losses to this Sub-Fund due to subsequent declines in value of the portfolio security or, if this Sub-Fund has entered into a contract to sell the security, could result in potential liability to the purchaser.

The risk also exists that an emergency situation may arise in one or more developing markets as a result of which trading of securities may cease or may be substantially curtailed and prices for this Sub-Fund's portfolio securities in such markets may not be readily available.

7. Investor profile

Bonds Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio. Investors in bonds Sub-Funds should, however, be prepared to accept fluctuations in value, caused by factors such as changing interest rates and the credit worthiness of bond issuers.

For EUR-denominated investors, it must be stressed that this Sub-Fund is denominated in USD and thus the investors bear a risk on the evolution of EUR against USD.

In the case of this Sub-Fund, the fact that it is mainly invested in Latin American Markets should be taken into account: the typical investor is a client willing to bear a higher level of risk.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 6

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER AM EURO CORPORATE BOND

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

EURO (EUR).

2. Classes of Shares

- Class A
- Class AD
- Class B
- Class BD
- Class I
- Class RKP

3. Investment Policy

The objective of the Sub-Fund is to provide a total return of income and/or capital growth primarily by investing in a portfolio of investment grade bonds denominated in, or hedged to, Euros issued by corporate, supra-national, government and government agency issuers, or in any other security or instrument the Investment Manager deems suitable for the Sub-Fund such as, but not limited to, money market instruments, cash and convertible bonds. The Sub-Fund may invest, on an ancillary basis, in other instruments such as hybrids, high yield, exchange-traded UCITS or other UCIs and emerging market debt. The Sub-Fund may also invest up to 20% of its portfolio in asset-backed securities (ABS).

A minimum of 75% of the portfolio will be invested in issuers for which any credit ratings are investment grade (rated above BBB- or Baa3 by major rating agencies or market benchmarks at the time of the investment).

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund is permitted to use financial derivatives for the purposes of risk control and active investment including, but not limited to, over-the-counter and exchange-traded forward contracts, futures, swaps (including interest-rate swaps and credit-default swaps), options and warrants. The use of derivative instruments in the Sub-Fund may lead to higher volatility and counterparty risk than would otherwise be the case.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark

The Sub-Fund is actively managed and aims to outperform the ICE Bank of America /Merrill Lynch Euro Corporate Index (the "Benchmark"). The Investment Manager uses the Benchmark as a reference to build the portfolio. The majority of the Sub-Fund's holdings are included in the Benchmark. Nevertheless, investments outside the Benchmark universe are permitted in order to take advantage of specific opportunities. Although the deviation from the Benchmark could be relatively low in terms of tracking error if the Sub-Fund is neutral in terms of duration, the Investment Manager will take views on various issuers, sectors, countries, ratings and duration, which differ from the Benchmark positioning. These views are based on both a top down / bottom up approach based on fundamental and technical analysis of each component.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.00% for Class A Shares
- 1.00% for Class AD Shares
- 0.75% for Class B Shares
- 0.75% for Class BD Shares
- 0.50% for Class I Shares
- 0.50% for Class RKP Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

7. Investor profile

Bonds Sub-Funds can be suitable for investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio. Investors in bonds should, however, be prepared to accept fluctuations in value, caused by factors such as interest rates and the creditworthiness of bond issuers.

This Sub-Fund is suitable for investors seeking a high level of current income over a medium to long time period and who are prepared to accept a moderate level of volatility.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

9. Benchmark administrator

The administrator of the Benchmark used by the Sub-Fund within the meaning of the Benchmark Regulation is ICE Data Indices LLC. This administrator is included in the register of benchmarks administrators maintained by ESMA (the European Securities and Markets Authority).

APPENDIX 7

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER AM EURO EQUITY

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AU
- Class B
- Class I
- Class IKP
- Class M
- Class RKP

3. Investment Minimum

Shares of Class IKP may only be acquired by investors subscribing for a minimum amount of GBP 500,000.

4. Investment Policy

The principal policy of this Sub-Fund is to invest its assets in a diversified portfolio of equity securities of European issuers (mainly belonging to the Euro zone group of countries) quoted or traded on European official stock exchanges and / or other regulated markets while seeking to control economic and monetary risk.

This Sub-Fund invests primarily in equity securities of issuers belonging to Euro Zone countries. However, this Sub-Fund may invest up to 5% of its net assets in equity securities of issuers domiciled in and/or which carry out the preponderant part of their activities in emerging European countries which, in the context of this Sub-Fund, may include amongst other Poland, Hungary, the Czech Republic, Russia, Romania, Turkey and, in any event, any country included at any time in the MSCI Emerging Europe Index.

This Sub-Fund may also invest in other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions provided that such UCIs offer daily redemption.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in equities although depending on the opportunities of the markets it could invest as well in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets as well as for hedging purposes. These financial derivative instruments may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions

specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

This Sub-Fund may combine either type of investment, either direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective.

The Sub-Fund will continuously invest at least 51% of its net assets directly or indirectly via funds in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments the Sub-Fund will take into account the effective equity ratio of the underlying fund.

Furthermore, in case of adverse equities market conditions this Sub-Fund may temporarily be invested up to 49% of its net assets in money market instruments in order to protect investors' interests.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the MSCI EMU Net Total Return EUR Index (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

5. Management Fees

The Management Company will be paid an annual management fee of

- 2.00% for Class A Shares
- 2.50% for Class AU Shares
- 1.50% for Class B Shares
- 0.60% for Class I Shares
- 0.25% for Class IKP Shares
- 0.05% for Class M Shares
- 0.60% for Class RKP Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

8. Investor profile

History has shown that equity investments have the potential to give better long-term returns that money market securities or bonds. However, they are much volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

For investors in non-EUR denominated Classes, it must be stressed that this Sub-Fund is invested and denominated in EUR and thus those investors bear a risk on the evolution of the EUR against non-EUR currencies.

9. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 8

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER AM LATIN AMERICAN EQUITY OPPORTUNITIES

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class AEH
- Class B
- Class F
- Class I
- Class IE
- Class ME
- Class RKP

3. Investment Minimum

Shares of Class A may only be acquired by investors subscribing for a minimum amount of USD 6,000.

Shares of Class F may only be acquired by investors subscribing for a minimum amount of USD 10,000,000.

4. Investment Policy

This Sub-Fund is designed to offer investors a concentrated exposure to the equities of companies whose operations are predominantly exposed to the Latin American region with the main objective being long-term capital growth. An integrated investment team seeks for Latin American companies with the fundamentals and quality not captured by the market to deliver outstanding returns and material alpha over the long term. A disciplined local investment approach based on proprietary fundamental company research is complemented by a macro overlay in order to maximize portfolio value in a sustainable manner.

While diversification will be sought across geography and economic activity, the Sub-Fund is unconstrained regarding company size, country, or sector.

The investment style of the Sub-Fund focuses on those companies which investment professionals identify as growth at reasonable price. Brazil, Mexico, Chile and Argentina each have a differentiated approach towards their own markets, based on deep knowledge of local characteristics, economic cycle, track record and ongoing activities, which allow for a prompt stock picking in the overall portfolio. The Sub-Fund may invest in other Latin American countries following strict fundamental analysis.

This Sub-Fund may also invest in other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions, provided that such funds offer daily redemptions.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in equities although depending on the opportunities of the markets it could invest as well in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets as well as for hedging purposes. These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

This Sub-Fund may combine either type of investment, either direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective.

The Sub-Fund will continuously invest at least 51% of its net assets directly or indirectly via funds in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments the Sub-Fund will take into account the effective equity ratio of the underlying fund.

Benchmark
The Sub-Fund is actively managed in reference to the MSCI EM Latin America 10-40 Net Total Return USD Index (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid an annual management fee of

- 1.75% for Class A Shares
- 1.55% for Class AE Shares and Class AEH Shares
- 1.50% for Class B Shares
- 0.25% for Class F Shares
- 0.70% for Class I Shares and Class IE Shares
- 0.02% for Class ME Shares
- 0.70% for Class RKP Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Potential investors should be aware that investments in this Sub-Fund involve, due to the political and economic situation in the Latin-American countries, a high degree of risk which could adversely affect the value of this Sub-Fund's investments. Such investments should therefore be considered only by professional investors who recognize that participation in this Sub-Fund should be part of a balanced invested portfolio. Nowadays, there is a possibility in the Latin-American countries of expropriation or confiscatory taxation, other adverse changes in tax laws or treaties, political or social instability or diplomatic developments that could affect the investments. Apart of the economical reason investors should be aware that trading volumes in the Latin-American small caps companies are small, so investments could suffer periods of illiquidity and/or significant price volatility. Investments in this Sub-Fund involve risks such as: restrictions on foreign investment, higher market volatility, illiquidity higher currency risk and volatility.

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

8. Investor profile

History has shown that equity investments have the potential to give better long-term returns that money market securities or bonds. However, they are much volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

In the case of this Sub-Fund, the fact that it is mainly invested in equities issued by small and medium-sized companies from Latin American countries should be taken into account: the typical investor is a client looking for investing in equity investments and able to bear a higher level of risk.

9. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 9

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER ACTIVE PORTFOLIO 1

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class B

3. Investment Minimum

Shares of Class A may only be acquired by investors subscribing for a minimum amount of USD 6,000 and Shares of Class AE may only be acquired by investors subscribing for a minimum amount of EUR 6,000.

4. Investment Policy

The investment objective of this Sub-Fund is to build a diversified portfolio of world-wide securities.

This Sub-Fund will invest, directly or indirectly through third party UCITS or UCIs, in fixed income securities and equities of European and North American public or private issuers quoted or traded on European and North American official stock exchanges or regulated markets while seeking to control economic and monetary risks, but not excluding minority investments in other OECD and emerging countries.

Under normal market circumstances, this Sub-Fund's investments in equities will be 10% of this Sub-Fund's net assets, although the Sub-Fund's equity exposure may vary significantly from this level, depending on market conditions. Furthermore, in case of adverse equities market conditions this Sub-Fund might temporarily be invested in money market instruments, or even have a net negative exposure to equities through financial derivative instruments of maximum 10% of its net assets, in order to protect the Shareholders interests. This Sub-Fund's exposure to equities will not exceed 50% of this Sub-Fund's net assets.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

This Sub-Fund may combine direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective.

In order to achieve this objective, this Sub-Fund may, depending on the opportunities of the markets, invest in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets.

The financial derivatives instruments may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

This Sub-Fund may also invest in other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions. These funds will normally be open-ended and their underlying investments will be mainly liquid assets.

This Sub-Fund may choose also to invest up to 10% of its net assets in structured securities such as asset-backed securities, mortgage-backed securities or collateralised obligations with a pay-off linked to the relevant markets rather than actually investing in the markets.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the USD 1 Week GC Government Repo (46.4%); ICE BofA Global Broad Market Index (43.6%); MSCI World Free Gross Total Return USD Index (10%) (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects and valuations. As such, the Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

5. Management Fees

The Management Company will be paid an annual management fee of

- 1.50% for Class A Shares and Class AE Shares
- 1.00% for Class B Shares

of the average total net assets of the Shares.

6. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested. These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

This Sub-Fund invests in financial derivative instruments negotiated in regulated markets with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase significantly the loss of value of the portfolio. This Sub-Fund may also invest in financial derivative instruments negotiated in non-regulated markets (OTC) in order to obtain the return objective of this Sub-Fund, which may entail additional risks such as a breach of contract of the counterparty, since there is no clearing house to intervene between the counterparties and assure the fulfilment of the operations.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

7. Investor profile

Although the exposure to equities is limited to a 50% of the net assets of the Sub-Fund, the Sub-Fund's equity exposure may vary significantly depending on market conditions. The distribution between fixed income and equities within the portfolio of the Sub-Fund is not fixed, and there is no pre-determined objective or maximum limits with respect to the distribution of assets per economic sector, or with respect to issuer type (public/private), or with respect to issuer rating etc. Therefore this Sub-Fund is suitable for investors who want a total return management style and who have experience with volatile products. It is appropriate for investors seeking a diversified portfolio with a global medium-high risk level.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 10

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER ACTIVE PORTFOLIO 2

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class B

3. Investment Minimum

Shares of Class A may only be acquired by investors subscribing for a minimum amount of USD 6,000 and Shares of Class AE may only be acquired by investors subscribing for a minimum amount of EUR 6,000.

4. Investment Policy

The investment objective of this Sub-Fund is to build a diversified portfolio of world-wide securities.

This Sub-Fund will invest, directly or indirectly through third party UCITS or UCIs, in fixed income securities and equities of European and North American public or private issuers quoted or traded on European and North American official stock exchanges or regulated markets while seeking to control economic and monetary risks, but not excluding minority investments in other OECD and emerging countries.

Under normal circumstances, this Sub-Fund's investments in equities will be 30% of this Sub-Fund's net assets, although the Sub-Fund's equity exposure may vary significantly from this level, depending on market conditions. Furthermore, in case of adverse equities market conditions this Sub-Fund might temporarily be invested in money market instruments, or even have a net negative exposure to equities through financial derivative instruments of maximum 20% of its net assets, in order to protect the Shareholders interests. This Sub-Fund's exposure to equities will not exceed 75% of this Sub-Fund's net assets.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

This Sub-Fund may combine direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective.

In order to achieve this objective, this Sub-Fund may, depending on the opportunities of the markets, invest in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets.

The financial derivatives instruments may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

This Sub-Fund may also invest in other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions. These funds will normally be open-ended and their underlying investments will be mainly liquid assets.

This Sub-Fund may choose also to invest up to 20% of its net assets in structured securities such as asset-backed securities, mortgage-backed securities or collateralised obligations with a pay-off linked to the relevant markets rather than actually investing in the markets.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the USD 1 Week GC Government Repo (36,09%); ICE BofA Global Broad Market Index (33,91%); MSCI World Free Gross Total Return USD Index (30%) (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects and valuations. As such, the Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

5. Management Fees

The Management Company will be paid an annual management fee of

- 1.50% for Class A Shares and Class AE Shares
- 1.00% for Class B Shares

of the average total net assets of the Shares.

6. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested. These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

This Sub-Fund invests in financial derivative instruments negotiated in regulated markets with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase significantly the loss of value of the portfolio. This Sub-Fund may also invest in financial derivative instruments negotiated in non-regulated markets (OTC) in order to obtain the return objective of this Sub-Fund, which may entail additional risks such as a breach of contract of the counterparty, since there is no clearing house to intervene between the counterparties and assure the fulfilment of the operations. To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

7. Investor profile

Although the exposure to equities is limited to a 75% of the net assets of the Sub-Fund, the Sub-Fund's equity exposure may vary significantly depending on market conditions. The distribution between fixed income and equities within the portfolio of the Sub-Fund is not fixed, and there is no pre-determined objective or maximum limits with respect to the distribution of assets per economic sector, or with respect to issuer type (public/private), or with respect to issuer rating etc. Therefore this Sub-Fund is suitable for investors who want a total return management style and who have experience with volatile products. It is appropriate for investors seeking a diversified portfolio with a global medium-high risk level.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 11

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER CORPORATE COUPON

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class AD
- Class CD
- Class CDE
- Class ID

3. Investment Minimum

Shares of Class AD may only be acquired by investors subscribing for a minimum amount of USD 6,000, Shares of Class CD may only be acquired by investors subscribing for a minimum amount of USD 10,000 and Shares of Class CDE may only be acquired by investors subscribing for a minimum amount of EUR 10,000.

4. Investment Policy

The objective of this Sub-Fund is to achieve a high level of current income by investing mainly in a diversified portfolio of corporate international fixed income securities, including both investment grade and non-investment grade securities. Additionally, this Sub-Fund may invest in public fixed income securities, money market and cash instruments. This Sub-Fund may also invest up to 10% of its net assets in fixed income securities issued by companies located or carrying their main activity in emerging markets.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

This Sub-Funds assets invested in below investment grade securities may not exceed 50% of the net asset value of the sub-fund. These investments will be rated below BBB- or Baa3 by major rating agencies or market benchmarks at the time of the investment, however, no more than 10% of this Sub-Fund's portfolio will be rated below B- by major rating agencies or market benchmarks.

This Sub-Fund seeks a high level of diversification of sectors and issuers to minimise risk. While the fixed income securities in which the Sub-Fund invests will be listed principally on stock exchanges of EU Member States and USA, and to a minor extent, in stock exchanges of other OECD countries.

This Sub-Fund may use techniques and instruments for hedging purposes in order to protect shareholders from the impact of currency movements of the assets in which the Sub-Fund is invested in relation to the Reference Currency. The costs and effects of this currency hedging will be reflected in the net asset value and in the performance of these Classes of Shares.

This Sub-Fund may combine direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective. These investments will be subject to the limits set forth under the headline "Techniques and Instruments" of this Prospectus.

These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

This Sub-Fund may choose to invest up to 10% of its net assets in structured securities such as asset-backed securities, mortgage-backed securities or collateralised obligations with a pay-off linked to the relevant markets rather than actually investing in the markets.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA 1-5 Year US Corporate Excluding 144a Index (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

5. Management Fees

The Management Company will be paid an annual management fee of up to

- 1.75% for Class AD Shares
- 1.25% for Class CD Shares and Class CDE Shares
- 0.40% for Class ID Shares

of the average total net assets of the Shares.

6. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested. These risks might increase its return but must be taken into account.

This Sub-Fund invests in financial derivative instruments negotiated in regulated markets and/or OTC with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase significantly the loss of value of the portfolio. This Sub-Fund may also invest in financial derivative instruments negotiated in non-regulated markets (OTC) in order to obtain the return objective of this Sub-Fund, which may entail additional risks such as a breach of contract of the counterparty, since there is no clearing house to intervene between the counterparties and assure the fulfilment of the operations. To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

To the extent that this Sub-Fund employs currency hedging, there can be no assurance that this currency hedging will fully eliminate the currency exposure of the Sub-Fund's asset's currencies in relation to the Reference Currency.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

7. Investor profile

Bonds Sub-Funds can be suitable for investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio. Investors in bonds should, however, be prepared to accept fluctuations in value, caused by factors such as interest rates and the creditworthiness of bond issuers.

This Sub-Fund is suitable for investors seeking a high level of current income over a short to medium time period and who are prepared to accept a moderate level of volatility.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 12

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER SELECT DEFENSIVE

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AUH
- Class I

3. Investment Policy

The objective of this Sub-Fund is to provide, with a non-guaranteed maximum volatility level of 5%, an attractive level of return from a portfolio invested, directly or indirectly through UCITS or UCIs, in a diversified range of fixed interest instruments and equities, listed or traded worldwide.

The Sub-Fund will invest directly, or indirectly through third party investment funds (UCITS or UCIs), in fixed income securities like Government Bonds and corporate bonds including Investment Grade and High Yield, and equities of OECD public or private issuers quoted or traded on OECD official stock exchanges or regulated markets while seeking to control economic and monetary risks, but not excluding investments in emerging countries.

The Sub-Fund's equity exposure may be up to 30% of its net assets depending on market conditions and the Investment Manager's markets view.

Fixed Income instruments will be focused on a diversified portfolio of international corporate fixed income securities and the Sub-Fund may invest up to 25% of its net assets in securities whose ratings are lower than Baa3/BBB-. In the cases where these instruments are not rated, the issuer rating will be used. Should the issuer rating be higher than Baa3/BBB-, the security will not be included in the above-mentioned investment limit of 25%. In case there is no issuer rating, implied ratings of the Investment Manager will be used in accordance with its internal credit assessment procedure.

In the event that a debt security's or an issuer's credit rating is downgraded, the credit standing will immediately be assessed and appropriate actions for any specific relevant instrument within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities (i.e. securities with a credit rating below CCC or equivalent). In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-

Fund's net assets and that the distressed securities are liquidated in the best interests of shareholders.

The Sub-Fund's investments in emerging markets (whether emerging markets in OECD or non-OECD countries) will be limited to 25% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 20% of its net assets in exchange-traded commodities (ETCs), in eligible financial derivative instruments on commodity indices or on indices based on financial derivatives on commodities qualifying as eligible financial indices.

The Sub-Fund may invest up to 20% of its net assets in alternative investments. Alternative investments are considered investment funds or asset classes that are not classified under traditional asset classes, for example absolute return funds (always UCITS), investment funds allowing indirect exposure to basic materials (always UCITS), convertible bonds, investment funds allowing indirect exposure to real estate (always UCITS), and similar eligible assets.

The Sub-Fund may have a maximum currency risk of 50% of its net assets with regards to investments in non-Euro denominated assets.

In order to achieve its objective, this Sub-Fund may also, depending on the opportunities of the markets, invest in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets, including the investment in eligible financial instruments with returns linked to credit risk, inflation, interest rates, commodities, and/or volatility.

The financial derivatives instruments may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Furthermore, this Sub-Fund may invest in money market instruments and/or UCITS and other UCIs themselves invested in cash deposits.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark

The Sub-Fund is actively managed in reference to the Euribor 1 month (40%), ML 1-10 years Euro Broad Market (40%) and MSCI AC World (20%) (the "Benchmark"). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects valuations and the non-guaranteed maximum volatility level of 5% (annualized volatility with weekly observations for a period of 4 years). As such, the

Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.25% for Class A Shares
- 1.25% for Class AUH Shares
- 1.00% for Class I Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk and the Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings". This Sub-Fund invests in financial derivative instruments negotiated in regulated markets with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase significantly the loss of value of the portfolio. To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

7. Investor profile

The recommended investment horizon is medium term. Although the exposure to equities is limited to 30%, the allocation between fixed income and equities within the portfolio of the Sub-Fund is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, or with respect to issuer type (public/private), or with respect to issuer rating etc. The Investment Policy of the Sub-Fund is suitable for investors who accept a certain degree of volatility, but looking for an active risk management to preserve capital in the short term and achieve long term capital appreciation. Investors should be prepared to accept losses due to fluctuation in the market value of the above described assets.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 13

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER SELECT MODERATE

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AUH
- Class I

3. Investment Policy

The objective of this Sub-Fund is to provide, with a non-guaranteed maximum volatility level of 10%, an attractive level of return from a portfolio invested, directly or indirectly through UCITS or UCIs, in a diversified range of fixed interest instruments and equities, listed or traded worldwide.

The Sub-Fund will invest directly, or indirectly through third party investment funds (UCITS or UCIs), in fixed income securities like Government Bonds and corporate bonds including Investment Grade and High Yield, and equities of OECD public or private issuers quoted or traded on OECD official stock exchanges or regulated markets while seeking to control economic and monetary risks, but not excluding investments in emerging countries.

The Sub-Fund's equity exposure may vary from 20% to 60% of its net assets depending on market conditions and the Investment Manager's markets view.

Furthermore, in case of adverse equities market conditions this Sub-Fund might temporarily be invested up to 80% of its net assets in money market instruments.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Fixed Income instruments will be focused on a diversified portfolio of international corporate fixed income securities and the Sub-Fund may invest up to 40% of its net assets in securities whose ratings are lower than Baa3/BBB-. In the cases where these instruments are not rated, the issuer rating will be used. Should the issuer rating be higher than Baa3/BBB-, the security will not be included in the above-mentioned investment limit of 40%. In case there is no issuer rating, implied ratings of the Investment Manager will be used in accordance with its internal credit assessment procedure.

In the event that a debt security’s or an issuer’s credit rating is downgraded, the credit standing will immediately be assessed and appropriate actions for any specific relevant instrument within the Sub-Fund may be taken. These actions could include selling the underlying holdings or

retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities (i.e. securities with a credit rating below CCC or equivalent). In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of shareholders.

The Sub-Fund's investments in emerging markets (whether emerging markets in OECD or non-OECD countries) will be limited to 40% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 20% of its assets in exchange-traded commodities (ETCs), in eligible financial derivative instruments on commodity indices or on indices based on financial derivatives on commodities qualifying as eligible financial indices.

The Sub-Fund may invest up to 20% of its net assets in alternative investments. Alternative investments are considered investment funds or asset classes that are not classified under traditional asset classes, for example absolute return funds (always UCITS), investment funds allowing indirect exposure to basic materials (always UCITS), convertible bonds, investment funds allowing indirect exposure to real estate (always UCITS), and similar eligible assets.

The Sub-Fund may have a maximum currency risk of 100% of its net assets with regards to investments in non-Euro denominated assets.

In order to achieve its objective, this Sub-Fund may also, depending on the opportunities of the markets, invest in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets, including the investment in eligible financial instruments with returns linked to credit risk, inflation, interest rates, commodities, and/or volatility.

The financial derivatives instruments may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Furthermore, this Sub-Fund may invest in money market instruments and/or UCITS and other UCIs themselves invested in cash deposits.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark

The Sub-Fund is actively managed in reference to the Euribor 1 month (20%), ML 1-10 years Euro Broad Market (40%) and MSCI AC World (40%) (the "Benchmark"). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects valuations and the non-guaranteed maximum volatility level of 10% (annualized volatility with weekly observations for a period of 4 years). As such, the

Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.50% for Class A Shares
- 1.50% for Class AUH Shares
- 1.25% for Class I Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub- Fund's Risk and Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings". This Sub-Fund invests in financial derivative instruments negotiated in regulated markets with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase significantly the loss of value of the portfolio. To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

7. Investor profile

The recommended investment horizon is medium to long term. Although the exposure to equities is limited to 60%, the allocation between fixed income and equities within the portfolio of the Sub-Fund is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, or with respect to issuer type (public/private), or with respect to issuer rating etc.

Therefore the Sub-Fund is suitable for investors who have experience with volatile products. It is appropriate for investors seeking a diversified portfolio who can accept a degree of risk to their capital.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 14

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER SELECT DYNAMIC

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AUH
- Class I

3. Investment Policy

The objective of this Sub-Fund is to provide, with a non-guaranteed maximum volatility level of 20%, an attractive level of return from a portfolio invested, directly or indirectly through UCITS or UCIs, in a diversified range of fixed interest instruments and equities, listed or traded worldwide.

The Sub-Fund will invest directly, or indirectly through third party investment funds (UCITS or UCIs), in fixed income securities like Government Bonds and corporate bonds including Investment Grade and High Yield, and equities of OECD public or private issuers quoted or traded on OECD official stock exchanges or regulated markets while seeking to control economic and monetary risks, but not excluding investments in emerging countries.

The Sub-Fund's equity exposure may vary from 50% to 100% of its net assets depending on market conditions and the Investment Manager's markets view.

The Sub-Fund will continuously invest more than 50% of its net assets directly or indirectly via funds in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments, the Sub-Fund will take into account the effective equity ratio of the underlying fund.

Furthermore, in case of adverse equities market conditions this Sub-Fund might temporarily be invested up to 50% of its net assets in money market instruments.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Fixed Income instruments will be focused on a diversified portfolio of international corporate fixed income securities and the Sub-Fund may invest up to 50% of its net assets in securities whose ratings are lower than Baa3/BBB-. In the cases where these instruments are not rated, the issuer rating will be used. Should the issuer rating be higher than Baa3/BBB-, the security will not be included in the above-mentioned investment limit of 50%. In case there is no issuer

rating, implied ratings of the Investment Manager will be used in accordance with its internal credit assessment procedure.

In the event that a debt security's or an issuer's credit rating is downgraded, the credit standing will immediately be assessed and appropriate actions for any specific relevant instrument within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities (i.e. securities with a credit rating below CCC or equivalent). In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of shareholders.

The Sub-Fund's investments in emerging markets (whether emerging markets in OECD or non-OECD countries) will be limited to 50% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 20% of its assets in exchange-traded commodities (ETCs), in eligible financial derivative instruments on commodity indices or on indices based on financial derivatives on commodities qualifying as eligible financial indices.

The Sub-Fund may invest up to 20% of its net assets in alternative investments. Alternative investments are considered investment funds or asset classes that are not classified under traditional asset classes, for example absolute return funds (always UCITS), investment funds allowing indirect exposure to basic materials (always UCITS), convertible bonds, investment funds allowing indirect exposure to real estate (always UCITS), and similar eligible assets.

The Sub-Fund may have a maximum currency risk of 100% of its net assets with regards to investments in non-Euro denominated assets.

In order to achieve its objective, this Sub-Fund may also, depending on the opportunities of the markets, invest in convertible bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets, including the investment in eligible financial instruments with returns linked to credit risk, inflation, interest rates, commodities, and/or volatility.

The financial derivatives instruments may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Furthermore, this Sub-Fund may invest in money market instruments and/or UCITS and other UCIs themselves invested in cash deposits.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark

The Sub-Fund is actively managed in reference to the Euribor 1 month (10%), ML 1-10 years Euro Broad Market (15%) and MSCI AC World (75%) (the "Benchmark"). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is

to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects valuations and the non-guaranteed maximum volatility level of 20% (annualized volatility with weekly observations for a period of 5 years). As such, the Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.75% for Class A Shares.
- 1.75% for Class AUH Shares
- 1.50% for Class I Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub- Fund's Risk and Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings". This Sub-Fund invests in financial derivative instruments negotiated in regulated markets with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase significantly the loss of value of the portfolio. To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

7. Investor profile

The recommended investment horizon is medium to long term. Although the exposure to equities may reach up to 100% of the Sub-Fund's net assets, the allocation between fixed income and equities within the portfolio of this Sub-Fund is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, or with respect to issuer type (public/private), or with respect to issuer rating etc. Therefore the Sub-Fund is suitable for investors who have experience with volatile products. It is appropriate for investors seeking a diversified portfolio who can accept a degree of risk to their capital.

8. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 15

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER MULTI INDEX SUBSTANCE

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

EURO (EUR).

2. Classes of Shares

- Class A

3. Investment Policy

The objective of this Sub-Fund is to provide a return from a portfolio of investments with exposure to a diversified range of fixed interest instruments and equities of worldwide corporate, sovereign or quasi-sovereign issuers, with no more than 25% of its net assets exposed to equities.

Exposure to these asset classes will be achieved through investments in exchange traded funds. Such undertakings for collective investment shall qualify as UCITS or other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions section.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may also invest in derivative instruments such as options, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to the asset classes as well as for hedging purposes. These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA Euro Government Index (60%); ICE BofA Euro Corporate Index (20%); MSCI World Net Total Return USD Index (20%) (the "Benchmark"). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison

purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects and valuations. As such, the Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 0.95% for Class A Shares

of the average total net assets of the Shares.

5. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's risk and the Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested. These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

The Net Asset Value of the Sub-Fund depends on the net asset value of the underlying funds and other assets that this Sub-Fund may hold, which depends on the market value of the underlying securities.

Investments in this Sub-Fund investing in other UCITS and UCIs may be subject to deductions on commissions and charges, particularly the commissions and charges of the depositary and central administration, management/advisory fees and commissions collected at the time of issuance/redemptions, at the level of the Sub-Fund and at the level of the target UCITS and UCIs.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding

taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

8. Investor profile

The recommended investment horizon is medium term. Although the exposure to equities is limited to 25%, the allocation between fixed income and equities within the portfolio of the Sub-Fund and within this 25% equities limit is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, geography, or with respect to issuer type (public/private), or with respect to issuer rating etc. Investors should be prepared to accept losses due to fluctuation in the market value of the above described assets.

APPENDIX 16

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER MULTI INDEX BALANCE

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

EURO (EUR).

2. Classes of Shares

Class A

3. Investment Policy

The objective of this Sub-Fund is to provide a return from a portfolio of investments with exposure to a diversified range of fixed interest instruments and equities worldwide corporate, sovereign or quasi-sovereign issuers, with no more than 60% of its net assets exposed to equities.

Exposure to these asset classes will be achieved through investments exchange traded funds. Such undertakings for collective investment shall qualify as UCITS or other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions section.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may also invest in derivative instruments such as options, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to the asset classes as well as for hedging purposes. These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA Euro Government Index (37.5%); ICE BofA Euro Corporate Index (12.5%); MSCI World Net Total Return USD Index (40%); MSCI Emerging Net Total Return USD Index (10%) (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment

policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects and valuations. As such, the Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 0.95% for Class A Shares

of the average total net assets of the Shares.

5. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's risk and the Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested. These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

The Net Asset Value of the Sub-Fund depends on the net asset value of the underlying funds and other assets that this Sub-Fund may hold, which depends on the market value of the underlying securities.

Investments in this Sub-Fund investing in other UCITS and UCIs may be subject to deductions on commissions and charges, particularly the commissions and charges of the depositary and central administration, management/advisory fees and commissions collected at the time of issuance/redemptions, at the level of the Sub-Fund and at the level of the target UCITS and UCIs.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding

taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

8. Investor profile

The recommended investment horizon is medium to long term. Although the exposure to equities is limited to 60%, the allocation between fixed income and equities within the portfolio of the Sub-Fund and within this 60% equities limit is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, geography, or with respect to issuer type (public/private), or with respect to issuer rating etc. Investors should be prepared to accept losses due to fluctuation in the market value of the above described assets.

APPENDIX 17

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER MULTI INDEX AMBITION

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

EURO (EUR).

2. Classes of Shares

- Class A

3. Investment Policy

The objective of this Sub-Fund is to provide a return from a portfolio of investments with exposure to a diversified range of fixed interest instruments and equities worldwide corporate, sovereign or quasi-sovereign, with no more than 90% of its net assets exposed to equities.

Exposure to these asset classes will be achieved through investments in exchange traded funds. Such undertakings for collective investment shall qualify as UCITS or other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions section.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may also invest in derivative instruments such as options, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to the asset classes as well as for hedging purposes. These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA Euro Government Index (18.75%); ICE BofA Euro Corporate Index (6.25%); MSCI World Net Total Return USD Index (60%); MSCI Emerging Net Total Return USD Index (15%) (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the

Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects and valuations. As such, the Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 0.95% for Class A Shares

of the average total net assets of the Shares.

5. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's risk and the Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested. These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

The Net Asset Value of the Sub-Fund depends on the net asset value of the underlying funds and other assets that this Sub-Fund may hold, which depends on the market value of the underlying securities.

Investments in this Sub-Fund investing in other UCITS and UCIs may be subject to deductions on commissions and charges, particularly the commissions and charges of the depositary and central administration, management/advisory fees and commissions collected at the time of issuance/redemptions, at the level of the Sub-Fund and at the level of the target UCITS and UCIs.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding

taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

8. Investor profile

The recommended investment horizon is medium to long term. Although the exposure to equities is limited to 90%, the allocation between fixed income and equities within the portfolio of the Sub-Fund and within this 90% equities exposure limit is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, geography, or with respect to issuer type (public/private), or with respect to issuer rating etc. Investors should be prepared to accept losses due to fluctuation in the market value of the above described assets.

APPENDIX 18

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER SELECT INCOME

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class AD
- Class BD
- Class MD

3. Investment Minimum

Shares of Class BD may only be acquired by investors subscribing for a minimum amount of Euro 6,000.

4. Investment Policy

The objective of this Sub-Fund is to provide a consistent level of income and capital growth over a full market cycle from a portfolio invested in a diversified range of fixed interest instruments and equities, directly or indirectly, through UCITS or eligible UCIs.

The Sub-Fund's exposure to equities will not exceed 70% of its net assets.

This Sub-Fund may invest up to 100% of its net assets in eligible fixed interest instruments. The exposure to fixed income securities will be achieved through government bonds and corporate bonds including investment grade and high yield bonds or any other fixed income security or instrument the Investment Manager deems suitable for the Sub-Fund such as, but not limited to, money market instruments, convertible bonds and inflation-linked fixed income securities.

The Sub-Fund may invest up to 25% of its net assets in securities rated lower than Baa3/BBB- by major credit rating agencies at the time of the purchase. The Sub-Fund will not invest in unrated securities nor in distressed securities (subject to what is stated below).

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

This Sub-Fund may invest in UCITS and eligible UCIs. The target UCITS and UCIs invest in, amongst other asset classes, equity, fixed income, cash instruments and financial derivative instruments.

The Investment Manager will, in any case, invest in UCITS and eligible UCIs managed by first-rate fund management companies with a wide experience in the markets and a high degree of solvency, considering the volume of assets under management. The choice of underlying UCITS and UCIs will also take into account the management quality of the investment manager, the past returns achieved by the underlying fund, the risk/return ratio and the volume of assets of the underlying fund.

The Sub-Fund may invest up to 15% of its net assets in Alternative Investments. Alternative Investments are considered investment funds or asset classes that are not classified under traditional asset classes, for example absolute return funds (always UCITS), investment funds allowing indirect exposure to basic materials (ETFs/funds) and other commodities, investment funds allowing indirect exposure to real estate (ETFs/funds), and similar eligible instruments.

The Sub-Fund may invest up to 10% of its net assets in exchange-traded commodities (ETCs), in eligible financial derivative instruments on commodities indices or on indices based on financial derivatives on commodities qualifying as eligible financial indices.

The total exposure to emerging markets will not exceed 25% of the Sub-Fund's total net assets.

The Sub-Fund will invest mainly in Euro denominated assets, notwithstanding that a maximum of 30% of total net assets may be invested in assets denominated in other OECD country currencies.

The Sub-Fund may also invest in financial derivative instruments including swaps, forwards, futures, options and total return swaps (on a continuous basis), within the limits stated under the headline "Techniques and Instruments" for efficient portfolio management, to gain long or short exposure to assets and markets, as well as for hedging purposes.

The underlying of the total return swaps will consist of instruments in which the Sub-Fund may invest according to its investment policy. In particular, total return swaps may be used to gain exposure to equity or fixed income related securities, to absolute return strategies for efficient portfolio management and, but not limited to, hedging part of or the whole portfolio of the Sub-Fund. The expected proportion of the assets of the Sub-Fund that can be subject to total return swaps is 50% in normal market conditions and the maximum proportion of the assets of the Sub-Fund that could be subject to them is 95%.

Furthermore, this Sub-Fund may invest in money market instruments and/or UCITS and other UCIs themselves invested in cash deposits.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

5. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.50% for Class AD Shares
- 0.95% for Class BD Shares
- 0.23% for Class MD Shares

of the average total net assets of the Shares.

6. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut-off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

7. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

8. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk and Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, and financial derivative instruments and those associated to the use of total return swaps. There is a risk for the investors to eventually recover an amount lower than the one invested.

The Net Asset Value of the Sub-Fund depends on the net asset value of the underlying UCITS and UCIs and other assets that this Sub-Fund may hold which depends upon the market value of the underlying securities.

Investments in this Sub-Fund may be subject to deductions on commissions and charges, particularly the commissions and charges of the depositary and central administration, management/advisory fees and commissions collected at the time of issuance/redemptions, at the level of the Sub-Fund and at the level of the target UCITS and UCIs.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings". This Sub-Fund invests in financial derivative instruments negotiated in regulated markets with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase

significantly the loss of value of the portfolio. To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

9. Investor profile

The recommended investment horizon is medium to long term. Although the exposure to equities is limited to 70%, the allocation between fixed income and equities within the portfolio of the Sub-Fund is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, or with respect to issuer type (public/private), or with respect to issuer rating etc.

Therefore the Sub-Fund is suitable for investors seeking a diversified portfolio who can accept a degree of risk to their capital.

10. Other information

The costs for investment research services will be borne by the Sub-Fund.

11. Global exposure

The global exposure of the Sub-Fund is measured by the absolute VaR (Value-at-Risk) methodology.

The Sub-Fund’s expected level of leverage is 450% of the net asset value of the Sub-Fund, although it is possible that leverage might significantly exceed this level from time to time. The Sub-Fund's level of leverage may be higher than this expected level as long as the Sub-Fund remains in line with its risk profile and complies with its VaR limit. The expected level of leverage may for example be higher when volatility increases, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

The annual report will provide the actual level of leverage over the past period and additional explanations on this figure.

APPENDIX 19

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GO ABSOLUTE RETURN

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

EURO (EUR).

2. Classes of Shares

- Class A
- Class B
- Class BUH
- Class I
- Class M
- Class RKP

3. Investment Policy

The Sub-Fund seeks to achieve a positive return over the medium term irrespective of market conditions.

The Sub-Fund principally invests, directly or indirectly, in a broad range of assets such as, but not limited to, government and corporate bonds of any maturity with an average rating of BBB, equities, convertible bonds, money market securities, commodities, real estate and currencies (including unrated securities). As set out below, the Sub-Fund will only gain indirect exposure to real estate (via closed-ended real estate investment trusts (REITs)) and commodities. The Sub-Fund may also invest in American Depository Receipts (ADRs) and Global Depository Receipt (GDRs). Assets will be mainly denominated in EUR, USD, JPY or in other European currencies.

The Sub-Fund may invest up to 50% of its net assets in equities and up to 25% in convertible bonds (including up to 10% in contingent convertible bonds).

The Sub-Fund may invest up to 10% of its net assets in exchange-traded commodities (ETCs), in eligible financial derivative instruments on commodities indices or on indices based on financial derivatives on commodities qualifying as eligible financial indices.

Issuers of these securities may be located in any country, including emerging markets.

The Sub-Fund may invest up to 10% of its assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may also invest in financial derivative instruments including swaps, forwards, futures, options and total return swaps (on a continuous basis), within the limits stated under the headline "Techniques and Instruments" for efficient portfolio management and to gain long or short exposure to assets and markets, as well as for hedging purposes.

The underlying of the total return swaps will consist of instruments in which the Sub-Fund may invest according to its investment policy. In particular, total return swaps may be used to gain exposure to equity or fixed income transferable securities and equity or fixed income related securities. The expected proportion of the assets of the Sub-Fund that can be subject to total return swaps is 10% and the maximum proportion of the assets of the Sub-Fund that could be subject to them is 15%.

To achieve a positive return not correlated to any market the Investment Manager combines the construction of a macro strategy portfolio with an investment strategy to generate excess return.

To construct the macro strategy portfolio the Investment Manager will invest in any type of equities and bonds from any type of issuers. Macroeconomic, thematic and regional scenarios will drive the asset allocation and long or short positioning of the Sub-Fund.

To generate excess return the Investment Manager will seek to benefit from price differentials between correlated financial instruments (interest rates, equities, corporate bonds, currencies and commodities) and will also take into consideration the direction in which a security is heading. A sophisticated process to assess risk and performance will be used and will determine the allocation among the various types of asset classes.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.50% for Class A Shares
- 1.00% for Class B Shares
- 1.00% for Class BUH Shares
- 0.55% for Class I Shares
- 0.40% for Class M Shares
- 0.60% for Class RKP Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's risk and the Investment Policy.

The specific risk factors of this Sub-Fund are mostly legal risks, valuation risks, credit risks, collateral risks and those associated to the use of total return swaps and the creation of leverage. These risks might increase its return but must be taken into account. There is a risk for the investors to eventually recover an amount lower than the one invested.

The use of financial derivative instruments may expose the Sub-Fund to legal risks, with potential losses resulting from changing laws or from the unexpected application of a new law or regulation, or when a court declares a contract not legally enforceable.

Collateral or margin may be passed by the Sub-Fund to a counterparty or broker in respect of OTC transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

The Sub- Fund may invest some of its assets in unquoted securities. Such investment will be valued in accordance with market standard valuation techniques. Estimates of the fair value of such investments are inherently difficult to establish and are subject to substantial uncertainty. The Sub-Fund may also use financial derivative instruments in which case there can be no assurance that the valuation determined in accordance with the market standard valuation techniques reflects the exact amount at which the instrument may be closed out.

To meet its investment objective the Sub-Fund will use OTC financial derivative instruments (including total return swaps) negotiated with credit institutions. The Sub-Fund will be exposed to the counterparty risk that results from the use of financial derivative instruments executed with a credit institution.

The Sub-Fund creates high leverage (invests in a way that magnifies the gain or loss it would normally receive) and its net asset value is therefore likely to be more volatile and the risk of large losses is greater compared to an unleveraged fund. Leverage risk can be created by many derivatives and by taking short positions (which also involves derivatives).

The high levels of leverage provide the opportunity to boost the capital appreciation and profits but, at the same time, will substantially increase the exposure to capital risk, including the risk that losses can exceed the amount invested in particular securities or instruments and that investors lose their entire investment.

7. Investor profile

The recommended investment horizon is medium to long term. Although the exposure to equities is limited to 50%, the allocation between fixed income and equities within the portfolio of the Sub-Fund and within this equities exposure limit is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, geography, or with respect to issuer type (public/private), or with respect to issuer rating etc. Investors should be prepared to accept losses due to fluctuation in the market value of the above described assets.

8. Global exposure

The global exposure of the Sub-Fund is measured by the absolute VaR (Value-at-Risk) methodology.

The Sub-Fund's expected level of leverage is 750% of the net asset value of the Sub-Fund, although it is possible that leverage might significantly exceed this level from time to time. The Sub-Fund's level of leverage may be higher than this expected level as long as the Sub-Fund remains in line with its risk profile and complies with its VaR limit. The expected level of leverage may for example be higher when volatility increases, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

The annual report will provide the actual level of leverage over the past period and additional explanations on this figure.

APPENDIX 20

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GO GLOBAL EQUITY ESG

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class AEH
- Class APH
- Class B
- Class BE
- Class BEH
- Class I
- Class IKP
- Class M
- Class ME
- Class RKP
- Class SE
- Class SEH
- Class V

3. Investment Minimum

Shares of Class IKP may only be acquired by investors subscribing for a minimum amount of GBP 500,000.

4. Investment Policy

The investment objective of this Sub-Fund is to invest mainly in equities of companies operating in developed countries all over the world.

This Sub-Fund is an all cap fund, which may invest in large cap companies, as well as, small/mid cap companies.

The Sub-Fund will invest at least two-thirds of its net assets in equities of companies that mainly operate in mature economies (developed countries).

The Sub-Fund may also invest in American Depository Receipts (ADRs) and Global Depository Receipts (GDRs).

The Sub-Fund may invest up to 20% of its net assets in emerging market countries as defined by MSCI and that are included in the MSCI Emerging Markets Index.

During the investment process, and after applying the fundamental criteria listed in the third paragraph above, the Sub-Fund will apply an ESG approach (as set out below in the section “Sustainable Finance Disclosure Regulation categorization”), seeking to access the impact of environmental, social and governance factors on the cash flows of the companies in which it may invest.

The Sub-Fund will continuously invest at least 51% of its net assets directly or indirectly via funds in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments the Sub-Fund will take into account the effective equity ratio of the underlying fund.

The Sub-Fund may invest up to 10% of its assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions section.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in equities although depending on the opportunities of the markets it could invest as well in convertible bonds or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to equity markets as well as for hedging purposes. These financial derivative instruments may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specialising in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Furthermore, in case of adverse equity market conditions, this Sub-Fund may temporarily be invested up to 49% of its net assets in money market instruments in order to protect investors' interests.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund does not use a specific currency strategy but may use currency instruments for hedging and efficient portfolio management.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark

The Sub-Fund is actively managed in reference to the MSCI World Net Total Return USD Index (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

The Benchmark is a broad market weighted index that is not consistent with the environmental, social and governance characteristics promoted by the Sub-Fund.

5. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.60% for Class A Shares, Class AE Shares, Class AEH Shares and Class APH Shares
- 1.20% for Class B Shares, Class BE Shares and Class BEH Shares
- 0.60% for Class I Shares
- 0.45% for Class IKP Shares
- 0.45% for Class M Shares
- 0.45% for Class ME Shares
- 0.60% for Class RKP Shares
- 0.60% for Class SE Shares and Class SEH Shares
- 0.45% for Class V Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The Sub-Fund could be exposed to equity market risk at up to a level of 100% of its assets. Fluctuations in the prices of the securities held by the Sub-Fund and overall rise or falls in one or more of the Sub-Fund’s investment markets may, to a greater or lesser extent, have a positive or negative effect on the Company’s performance.

Some eligible stocks may be quoted in a currency other than the EUR. Investors are therefore reminded that the Sub-Fund’s assets may be exposed to foreign exchange risk.

The Sub-Fund offers no guarantee or capital protection. The initial investment might not be recovered in full and consequently investors are exposed to a risk of losing partially or entirely the capital invested in the Sub-Fund.

A value-oriented investment approach is subject to the risk that a security believed to be undervalued does not appreciate in value as anticipated.

To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

Investing in global equities, the Sub-Fund must comply with many legal requirements in various jurisdictions, which are subject to change and may materially affect the Sub-Fund’s activity.

Being exposed to several jurisdictions could also affect the returns of the Sub-Fund also from a tax perspective.

The Sub-Fund may invest in shares that are economically tied to countries with developing, or "emerging market" economies. Emerging market countries are generally located in Asia, Africa, the Middle East, Latin America and the developing countries of Europe. They are normally defined as economies that have relatively low gross national product per capita and with the potential for rapid economic growth.

Risks of emerging markets securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organized and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems.

In addition, emerging markets securities may have different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions. Settlement problems may cause the Sub-Fund to miss attractive investment opportunities, hold a portion of its assets in cash pending investment, or be delayed in disposing of a portfolio security. Such a delay could result in possible liability to a purchaser of the security.

8. Investor profile

History has shown that equity investments have the potential to give better long-term returns than money market securities or bonds.

However, they are more volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

For investors in non-USD denominated Classes, it must be stressed that this Sub-Fund is invested and denominated in USD and thus the investors bear a risk on the evolution of USD against non-USD denominated Classes.

APPENDIX 21

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER COVERED BOND

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class B
- Class I

3. Investment Minimum

Shares of Class B may only be acquired by investors subscribing for a minimum amount of Euro 5,000.

Shares of Class I may only be acquired by investors subscribing for a minimum amount of Euro 500,000.

4. Investment Policy

The investment objective of this Sub-Fund is to provide Shareholders with investment growth in the short to medium term.

The Sub-Fund mainly invests in European covered bonds. Specifically, the Sub-Fund will invest in covered bonds that are euro denominated as well as issues of corporate, supra-national, government and quasi-government issuers. Though the Sub-Fund will invest mainly in regulated covered bonds in accordance with Directive 2009/65/EC, it may invest up to 10% of its net assets in covered bonds that are not regulated covered bonds under Directive 2009/65/EC.

The Sub-Fund may invest up to 10% of its net assets in securities rated lower than Baa3/BBB- by major rating agencies or market benchmarks at the time of the purchase. This will therefore include investments in higher yielding bonds. The Sub-Fund will not invest in unrated securities nor in distressed securities.

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

The duration of the portfolio of the Sub-Fund will be between 0 and 2.5 years.

This Sub-Fund may combine direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective. These investments will be subject to the limits set forth under the headline "Techniques and Instruments" of this Prospectus.

These financial derivative instruments may be traded on either a regulated market mentioned under subparagraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls

Furthermore, this Sub-Fund may, on a temporary basis, invest in money market instruments and/or UCITS and other UCIs themselves invested in cash deposits.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") and as set out in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA Euro Covered Bond (65%); ICE BofA 1-10 Year German Government Index (-65%); ICE BofA Euro Unsubordinated Financial Index (35%); ESTR Volume Weighted Trimmed Mean Rate (65%) (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager use its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

5. Management Fees

The Management Company will be paid an annual management fee of

- 0.35% for Class B Shares
- up to 0.10% for Class I Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Investing in fixed income or related fixed income securities involves to bear interest rate risk. Interest rate risk is the risk that fixed income securities and other fixed income related instruments will decline in value because of an increase in interest rates.

As interest rates rise, the value of these securities are likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A wide variety of factors can cause interest rates to rise (e.g., monetary policies, inflation rates, general economic conditions, etc.). This is especially true under economic conditions where interest rates are at low levels. Interest rate changes can be sudden and unpredictable, and the Sub-Fund may lose money as a result of movements in interest rates.

Collateral or margin may be passed by the Sub-Fund to a counterparty or broker in respect of OTC transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

To meet its investment objective the Sub-Fund will use OTC financial derivative instruments negotiated with credit institutions. The Sub-Fund will be exposed to the counterparty risk that results from the use of financial derivative instruments executed with a credit institution.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

8. Investor profile

The Sub-Fund is recommended for investors who understand the risks of the Sub-Fund and plan to invest for at least 2 years. The Sub-Fund may appeal to investors who are looking for investment growth and are interested in exposure to developed bond markets.

9. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 22

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GO DYNAMIC BOND

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class APH
- Class B
- Class BEH
- Class I
- Class IEH
- Class M
- Class ME
- Class MEH
- Class RKP
- Class S
- Class SE

3. Investment Minimum

Shares of Class A and Shares of Class APH may only be acquired by investors subscribing for a minimum amount of USD 10,000 and GBP 10,000 respectively. Shares of Class B and Class BEH may only be acquired by investors subscribing for a minimum of USD 15,000 and EUR 15,000 respectively. Shares of Class RKP may only be acquired by investors subscribing for a minimum amount of GBP 10,000.

4. Investment Policy

The investment objective of the Sub-Fund is to seek maximum long-term return and preservation of capital.

The Sub-Fund seeks to invest at least two-thirds of its assets in a diversified portfolio of fixed income instruments of varying maturities. The Sub-Fund will not be constrained by fixed income market index related investment restrictions or tracking error targets. The average portfolio duration of the Sub-Fund will normally vary from negative 2 years to positive 6 years based on the Investment Manager's forecast for interest rates.

The Sub-Fund may invest in both investment-grade and high yield fixed income debt securities, subject to a maximum of 50% of its net assets in securities rated lower than Baa3 by major rating agencies or market benchmarks at the time of the investment. In particular, the Sub-Fund may invest up to 15% of its net assets in unrated fixed income debt securities.

In addition, the Sub-Fund may invest up to 50% of its net assets in fixed income debt securities that are economically tied to emerging market countries. In particular, the Sub-Fund may invest up to 25% of its net assets in fixed income debt securities traded on the China Interbank Bond Market.

The Sub-Fund may invest up to 10% of its assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

The Sub-Fund will pursue a fixed income oriented investment strategy in accordance with its investment policy. The Sub-Fund's investment strategy will not be constrained by fixed income market index or benchmark-related investment restrictions and will not be tethered to significant sector constraints. In addition, the Sub-Fund does not track or replicate the constituents of a particular index or use a traditional benchmark as a representative investment universe. As part of its investment strategy, the Investment Manager will use a global secular forecast and an integrated investment process across multiple asset sectors as set out herein when selecting and allocating assets.

The Sub-Fund may hold both non-USD denominated fixed income instruments and non-USD denominated currency positions. Non-USD denominated currency exposure is limited to 35% of assets. Therefore, movements in both non-USD denominated fixed income instruments and non-USD denominated currencies can influence the Sub-Fund's return. Currency hedging activities and currency positions will primarily be implemented using spot and forward foreign exchange contracts and currency futures, options and swaps.

The Sub-Fund may invest up to 10% of its net assets in preferred stock or bonds that are usually exchangeable for another type of security (usually common stock) at a pre-stated price and no more than 10% of the Sub-Fund's total assets may be invested in equity securities.

The Sub-Fund may invest up to 50% of its net assets in asset-backed securities (ABS) and mortgage-backed securities (MBS), including, but not limited to, Agency MBS, Non-Agency MBS, auto loan ABS, home equity ABS, student loan ABS, CMBS. The ABS and MBS may have embedded derivatives and, in this case, the Sub-Fund will only invest in TBAs and in CMBX Indexes. The maximum exposure to non-agency MBS will be 25% of the net assets of the Sub-Fund. The MBS may be loss-taking tranches up to 20% of the net assets of the Sub-Fund. Any investment in loss-taking MBS, which the Management Company believes should be classified as distressed at the time of purchase or as a result of a rating downgrade, may not exceed 10% of the Sub-Fund's net assets. The Management Company and the Investment Manager have procedures in place to ensure that this limit is not exceeded.

The Sub-Fund may not invest in securitisations which were issued on or after 1 January 2019 and which are therefore in scope of Article 5 of the Regulation (EU) 2017/2402.

The Sub-Fund may also invest up to 10% of its net assets in contingent convertible bonds.

The Sub-Fund may invest in collateralised debt obligations ("CDOs") and collateralised loan obligations ("CLOs") up to 15% of its net assets.

Apart from what is provided above regarding loss-taking MBS, the Sub-Fund does not invest in distressed securities. However, in case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

The Sub-Fund may also invest up to 10% of its net assets in other securities such as fixed term deposits, inverse floaters and credit linked notes.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes

in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may also invest in financial derivative instruments including but not limited to swaps, forwards, futures, options and total return swaps (on a continuous basis), within the limits stated under the headline "Techniques and Instruments" for efficient portfolio management and to gain long or short exposure to assets and markets, as well as for hedging purposes.

The underlying of the total return swaps will consist of instruments in which the Sub-Fund may invest according to its investment policy. In particular, total return swaps may be used to gain exposure to equity or fixed income transferable securities and equity or fixed income related securities. The expected proportion of the Sub-Fund's assets that can be subject to total return swaps is 40%. The maximum proportion of the Sub-Fund's assets that can be subject to total return swaps is 60%.

The Sub-Fund intends to enter into repurchase and reverse repurchase transactions on a continuous basis. The expected proportion of the Sub-Fund's assets that can be subject to repurchase and reverse repurchase transactions is 60%. The maximum proportion of the Sub-Fund's assets that can be subject to repurchase and reverse repurchase transactions is 80%.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.60% for Class A Shares
- 1.60% for Class APH Shares
- 1.25% for Class B Shares
- 1.25% for Class BEH Shares
- 0.60% for Class I Shares
- 0.60% for Class IEH Shares
- 0.42% for Class M Shares
- 0.42% for Class ME Shares
- 0.42% for Class MEH Shares
- 0.60% for Class RKP Shares
- 0.60% for Class S Shares
- 0.60% for Class SE Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk, Investment Objectives and Policies and the section "Risk Warnings" of the Prospectus.

The specific risk factors of this Sub-Fund are mostly legal risks, interest rate risks, valuation risks, credit risks, collateral risks and those associated to the use of total return swaps and the creation of leverage. Investing in securitization assets bears specific risk factors (described below) which significantly contribute to the overall risk of the Sub-Fund. There is a risk for the investors to eventually recover an amount lower than the one invested.

Investing in fixed income or securities related to fixed income debt securities involves interest rate risk. Interest rate risk is the risk that fixed income securities and other fixed income related instruments may decline in value because of an increase in interest rates. As interest rates rise, the value of these securities is likely to decrease. Securities with a longer duration tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with a shorter duration. A wide variety of factors can cause interest rates to rise (e.g., monetary policies, inflation rates, general economic conditions, etc.). This is especially true under economic conditions where interest rates are at low levels. Interest rate changes can be unforeseen and unpredictable, and the Sub-Fund may lose money as a result of movements in interest rates.

The Sub-Fund may purchase mortgage- or other asset-backed securities (both Agency and non-Agency MBS and ABS). Agency MBS refers to MBS issued by government-sponsored enterprises, such as the Government National Mortgage Association ("Ginnie Mae"), the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("Freddie Mac"). Non-agency MBS refers to MBS that are not issued by government-sponsored enterprises. Mortgage-related securities include mortgage pass-through securities, collateralized mortgage obligations ("CMOs": these are debt obligations of a legal entity that are collateralized by mortgages). They are typically rated by a rating agency and registered with the SEC and are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including pre-payments), commercial mortgage-backed securities, privately-issued mortgage-backed securities, mortgage dollar rolls, CMO residuals (which are mortgage securities issued by agencies or instrumentalities of the US Government or by private originators of, or investors in, mortgage loans, including savings and loan associations, homebuilders, mortgage banks, commercial banks, investment banks, partnerships, trusts and special purpose entities of the foregoing), striped mortgage back securities (SMBS) and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property.

One type of SMBS has one class receiving all of the interest from the mortgage assets (the interest-only, or "IO" class), while the other class will receive all of the principal (the principal-only, or "PO" class). The yield to maturity on an IO class is extremely sensitive to the rate of principal payments (including prepayments) on the underlying mortgage assets, and a rapid rate of principal payments may have a material adverse effect on the Sub-Fund’s yield to maturity from these securities.

The value of some mortgage- or asset-backed securities may be particularly sensitive to changes in prevailing interest rates. Early repayment of principal on some mortgage-related securities may expose the Sub-Fund to a lower rate of return upon reinvestment of principal. When interest rates rise, the value of a mortgage-related security generally will decline; however, when interest rates are declining, the value of mortgage-related securities with

prepayment features may not increase as much as other fixed income securities. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may shorten or extend the effective maturity of the security beyond what was anticipated at the time of purchase. If unanticipated rates of prepayment on underlying mortgages increase the effective maturity of a mortgage-related security, the volatility of the security can be expected to increase. The value of these securities may fluctuate in response to the market's perception of the creditworthiness of the issuers. Additionally, although mortgages and mortgage-related securities are generally supported by some form of government or private guarantee and/or insurance and/or collateral, there is no assurance that private guarantors or insurers will meet their obligations or that any collateral backing the security will cover the debt.

The Sub-Fund may also purchase collateralized debt obligations ("CDOs"), which include collateralized bond obligations ("CBOs"), collateralized loan obligations ("CLOs") and other similarly structured securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a securitized, 144A security rated by one or more rating agencies and is typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The Sub-Fund may invest in other asset-backed securities that have been offered to investors.

Mortgage-related securities (i.e. ABS/MBS) may use embedded derivatives in order to mitigate the risk arising from interest rates. The use of embedded derivatives could reduce the expected cash-flows generated by mortgage-related securities. Nevertheless, any derivatives embedded in transferable securities (including mortgage-related securities) count as derivatives held by the Sub-Fund, and any exposure to transferable securities gained thought derivatives counts as investments in those securities or instruments.

The use of financial derivative instruments may expose the Sub-Fund to legal risks, with potential losses resulting from changing laws or from the unexpected application of a new law or regulation, or when a court declares a contract not legally enforceable. The use of financial derivatives may also cause the Sub-Fund investment's returns to be impacted by the performance of securities that are not owned by the Sub-Fund, resulting in a situation in which the Sub-Fund total investment exposure exceeds the value of its portfolio.

Collateral or margin may be passed by the Sub-Fund to a counterparty or broker in respect of OTC transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

The Sub-Fund may invest some of its assets in unquoted securities. Such investment will be valued in accordance with market standard valuation techniques. Estimates of the fair value of such investments are inherently difficult to establish and are subject to substantial uncertainty. The Sub-Fund may also use financial derivative instruments in which case there can be no assurance that the valuation determined in accordance with the market standard valuation techniques reflects the exact amount at which the instrument may be closed out.

To meet its investment objective the Sub-Fund will use OTC financial derivative instruments (including total return swaps) negotiated with credit institutions. The Sub-Fund will be exposed to the counterparty risk that results from the use of financial derivative instruments executed with a credit institution.

The Sub-Fund creates high leverage (invests in a way that magnifies the gain or loss it would normally receive) and its net asset value is therefore likely to be more volatile and the risk of

large losses is greater compared to an unleveraged fund. Leverage risk can be created by many derivatives and by taking short positions (which also involves derivatives).

The high levels of leverage provide the opportunity to boost the capital appreciation and profits but, at the same time, will substantially increase the exposure to capital risk, including the risk that losses can exceed the amount invested in particular securities or instruments and that investors lose their entire investment.

The Sub-Fund may purchase unrated securities (which are not rated by the major rating agencies). The rating agencies are private services that provide ratings of the credit quality of fixed income securities, including convertible securities.

The Sub-Fund may purchase unrated securities if its Investment Manager determines that the security is of comparable quality to a rated security that the Sub-Fund may purchase. Unrated securities may be less liquid than comparable rated securities and involve the risk that the Investment Manager may not accurately evaluate the security's comparative credit rating. Analysis of the creditworthiness of issuers of high yield securities may be more complex than for issuers of higher-quality fixed income securities. To the extent that the Sub-Fund invests in high yield and/or unrated securities, the Sub-Fund's success in achieving its investment objective may depend more heavily on the Investment Manager's creditworthiness analysis than if the Sub-Fund invested exclusively in higher-quality and rated securities.

The Sub-Fund will not necessarily sell a security when its rating is reduced below its rating at the time of purchase and the Sub-Fund may retain such securities within the limits of the investment policy of the Sub-Fund if the Investment Manager deems it in the best interests of Shareholders.

Please refer to the section "Risk Warnings" of the Prospectus for further information regarding investments in Contingent Convertible Bonds, less developed or emerging markets (including Russia and China) and in ABS and MBS.

8. Investor profile

Typical investors in the Sub-Fund will be investors who are looking to maximise long term return through a combination of both income and capital growth and are looking for a flexible, benchmark agnostic approach and diversified exposure to global fixed income markets and are willing to accept the risks and volatility associated with investing in global fixed income markets, including emerging markets and non-investment grade securities, and who have an investment horizon over the medium to long term.

Class A and B Shares may only be subscribed by sophisticated investors which means that the relevant distributor has checked, prior to any subscription, the appropriateness of the Sub-Fund for each investor according to the following criteria:

- investor understanding of the Sub-Fund's strategies, characteristics and risks in order to make an informed decision; and
- investor knowledge and competence in financial markets generally.

9. Global exposure

The global exposure of the Sub-Fund is measured by the absolute VaR (Value-at-Risk) methodology.

The level of leverage for the Sub-Fund is expected to be 300% of its net asset value with a maximum level of 1200%. The Sub-Fund's leverage may increase to higher levels from its

expected range, for example, at times when the Investment Manager deems appropriate to use derivative instruments for hedging or investment purposes in particular during periods of uncertainty and volatility. The use of derivatives is expected to be high during periods when the Sub-Fund invests in instruments including, but not limited to, short-dated interest rate futures, forward and swaps contracts for the above-mentioned purposes and to alter the Sub-Fund's interest rate and duration positioning, currency or credit exposure.

The annual report will provide the actual level of leverage over the past period and additional explanations on this figure.

APPENDIX 23

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER LATIN AMERICAN INVESTMENT GRADE ESG BOND

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AD
- Class I
- Class M

3. Investment Policy

This Sub-Fund will invest mainly in corporate bonds issued by Latin American corporate issuers or by companies that derive more than 60% of their revenues from their operations in the region. The rest of the portfolio will be invested in debt instruments issued by local sovereign or quasi-sovereign Latin American issuers.

The Sub-Fund may not invest more than 10% of its net assets in securities rated below investment grade (below BBB- or Baa3) by major rating agencies at the time of the investment. However, the minimum credit rating that an issue can have at the time of the investment, will be BB- by one of the major rating agencies.

A minimum of 75% of the Sub-Fund's net assets will be invested in securities denominated in USD.

The Sub-Fund incorporates ESG criteria in the selection process of its holdings (as set out below in the section "Sustainable Finance Disclosure Regulation categorization"). The holdings in the portfolio of the Sub-Fund will be selected according to both financial and ESG ranking criteria, with both being taken into consideration for eligibility and conviction of the investment. To this aim, the range of investable instruments of the Sub-Fund is screened and controversial business areas (including controversial armament and tobacco) excluded.

The range of investable instruments of the Sub-Fund will include all environmental, social and governance areas. Within the environmental area, the Sub-Fund will target, among others, the following groups of impact: emissions, biodiversity, natural resources managements, energy efficiency and consumption and waste generation management. Within the social area, the Sub-Fund will target, among others, the following groups of impact: employees' wellness, human rights, stakeholders rights and responsible business. In terms of the governance area, the groups of impact targeted will be, among others: gender equality, ethical practices and commitment and corporate governance.

The Sub-Fund may invest up to 10% of its net assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.
In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in bonds although depending on the opportunities of the markets it could invest as well in convertible

bonds, warrants or derivative instruments such as options, swaps, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to the fixed income markets as well as for hedging purposes. These financial derivative instruments may be traded on either a regulated market mentioned under subparagraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

This Sub-Fund may combine either type of investment, either direct investment in securities or investment through financial derivative instruments, if it considers that the combination might better realize the investment objective.

This Sub-Fund may hold assets which will normally be placed in time deposits or risk free assets (i.e. money market instruments such as short term government bills) on an ancillary basis.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the J.P. Morgan CEMBI Broad Diversified Latin America IG Index (the “Benchmark”). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager use its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

The Benchmark is a broad market weighted index that is not consistent with the environmental, social and governance characteristics promoted by the Sub-Fund.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.05% for Class A Shares and Class AD Shares
- 0.50% for Class I Shares
- 0.05% for Class M Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk, the Investment Objectives and Policies and the section "Risk Warnings" of the Prospectus.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Potential investors should be aware that investments in this Sub-Fund involve, due to the political and economic situation in emerging markets, a high degree of risk which could adversely affect the value of this Sub-Fund's investments. Such investments should therefore be considered only by professional investors who recognise that participation in this Sub-Fund should be part of a balanced invested portfolio. With respect to certain countries, there is a possibility of expropriation or confiscatory taxation, other adverse changes in tax laws or treaties, political or social instability or diplomatic developments that could affect investments in those countries. Many of the emerging markets are relatively small, have low trading volumes, suffer periods of illiquidity and are characterised by significant price volatility. Investments in this Sub-Fund involve risks such as: restrictions on foreign investment, counterparty risk, higher currency volatility, higher market volatility and the illiquidity of this Sub-Fund's assets depending on the market conditions in certain emerging markets.

Emerging markets: because of the special risks associated with investing in emerging markets, this Sub-Fund should be considered as more speculative. Investors are strongly advised to consider carefully the special risks involved in developing markets, which are greater than the usual risks of investing in foreign securities.

Economies in developing markets generally are dependent heavily upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade.

Brokerage commissions, custodial services and other costs relating to investment in emerging markets generally are more expensive than those relating to investment in more developed markets. Lack of adequate custodial systems in some markets may prevent investment in a given country or may acquire this Sub-Fund to accept greater custodial risks in order to invest, although the Depositary will endeavour to minimise such risks through the appointment of correspondents that are international, reputable and creditworthy financial institutions. In addition, such markets have different settlement and clearance procedures. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of this Sub-Fund to make intended securities purchases due to settlement problems could cause this Sub-Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security

caused by settlement problems could result either in losses to this Sub-Fund due to subsequent declines in value of the portfolio security or, if this Sub-Fund has entered into a contract to sell the security, could result in potential liability to the purchaser.

The risk also exists that an emergency situation may arise in one or more developing markets as a result of which trading of securities may cease or may be substantially curtailed and prices for this Sub-Fund's portfolio securities in such markets may not be readily available.

7. Investor profile

Bond Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio. Investors in bond sub-funds should, however, be prepared to accept fluctuations in value, caused by factors such as changing interest rates and the credit worthiness of bond issuers.

For EUR-denominated investors, it must be stressed that this Sub-Fund is denominated in USD and thus the investors bear a risk on the evolution of EUR against USD.

In the case of this Sub-Fund, the fact that it is mainly invested in Latin American Markets should be taken into account: the typical investor is a client willing to bear a higher level of risk.

APPENDIX 24

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER FUTURE WEALTH

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class AEH
- Class APH
- Class M
- Class ME
- Class RKP
- Class V
- Class X
- Class XE

3. Investment Policy

The objective of this Sub-Fund is to provide a consistent level of capital growth over a full market cycle. The Sub-Fund will invest directly or indirectly, through UCITS or UCIs, in securities perceived by the Investment Manager as more interesting due to their innovative nature and their expectations of strong appreciation resulting from sustainable, secular changes in economic and social factors such as demographics, lifestyle, technology and the environment, among others.

This Sub-Fund will invest primarily through UCITS and UCIs in equity instruments.

The Sub-Fund will invest at least 75% of its net assets (directly and indirectly) in equity securities, without predetermination by criteria of selection, issuers, markets, currency, capitalization and sector, being able to invest up to 100% of its net assets in emerging markets, although under normal market circumstances it will be less than 50%. The Sub-Fund will invest indirectly in emerging markets (through UCITS and UCIs).

The remainder of the Sub-Fund's net assets may be invested (directly and indirectly, through UCITS and UCIs) in fixed income securities such as government bonds and corporate bonds with investment grade credit rating (rated above BBB- or Baa3 by major rating agencies or market benchmarks at the time of the investment).

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the

Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

The Sub-Fund will continuously invest more than 50% of its net assets directly or indirectly via UCITS and UCIs in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments, the Sub-Fund will take into account the effective equity ratio of the underlying fund.

The Sub-Fund may invest up to 30% of its assets in Alternative Investments. Alternative Investments are considered investment funds or asset classes that are not classified under traditional asset classes, for example absolute return funds (always UCITS), investment funds allowing indirect exposure to basic materials (ETFs/funds), investment funds allowing indirect exposure to real estate (ETFs/funds), and similar eligible assets.

The exposure to other currencies than the Reference Currency will be up to 50% of the Sub-Fund's net assets.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may invest in financial derivative instruments, including futures and swaps, within the limits stated under the headline "Techniques and Instruments" for efficient portfolio management and to gain long or short exposure to assets and markets, as well as for investment, hedging or efficient portfolio management purposes.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the MSCI AC World Index (the "Benchmark"). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.35% for Class A Shares, Class AE Shares, Class AEH Shares and Class APH Shares
- 0.03% for Class M Shares and Class ME Shares
- 0.60% for Class RKP Shares
- 0.23% for Class V Shares
- 0.23% for Class X Shares and Class XE Shares

of the average total net assets of the Shares.

5. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut-off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk and Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested.

The Net Asset Value of the Sub-Fund depends on the net asset value of the underlying UCITS and UCIs and other assets that this Sub-Fund may hold which depends upon the market value of the underlying securities.

Investments in this Sub-Fund may be subject to deductions on commissions and charges, particularly the commissions and charges of the depositary and central administration, management/advisory fees and commissions collected at the time of issuance/redemptions, at the level of the Sub-Fund and at the level of the target UCITS and UCIs.

These risks should not be underestimated, even if they may increase the return of the Sub-Fund. These risks are further described under the headline "Risk Warnings". This Sub-Fund invests in financial derivative instruments negotiated in regulated markets with the objective of portfolio hedging and/or for efficient portfolio management. These financial derivative instruments entail an additional risk compared to cash investments due to the leverage inherent in these instruments, which makes them more sensitive to the price fluctuations of the underlying investments and may increase significantly the loss of value of the portfolio. To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's shares.

8. Investor profile

History has shown that equity investments have the potential to give better long-term returns that money market securities or bonds. However, they are much volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

Therefore the Sub-Fund is suitable for investors seeking a diversified portfolio who can accept a degree of risk to their capital.

9. Other information

The costs for investment research services will be borne by the Sub-Fund.

APPENDIX 25

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GO GLOBAL HIGH YIELD BOND

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class I
- Class IEH
- Class M
- Class ME
- Class V

3. Investment Policy

The investment objective of the Sub-Fund is to seek maximum long-term return by investing in a global portfolio of fixed income securities.

The Sub-Fund invests at least two-thirds of its net assets in fixed and floating rate, senior and subordinated debt obligations of companies rated below investment grade (rated below BBB- or Baa3 by major rating agencies or market benchmarks at the time of the investment).

The Sub-Fund may invest up to 25% of its net assets in subordinated debt.

The Sub-Fund may also invest up to 5% of its net assets in distressed debt securities.

The average rating of the fixed income securities in which the Sub-Fund invests is not lower than B-.

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities (excluding the 5% of its net assets that the Sub-Fund may invest in distressed debt securities mentioned above). In this case, the Management Company and the Investment Manager will take reasonable efforts so that the exposure to distressed debt securities will not exceed in total 10% of the Sub-Fund's net assets and that the exposure to distressed securities exceeding 5% are liquidated in the best interests of Shareholders.

At least 50% of the Sub-Fund´s net assets are invested in securities issued by entities domiciled in the United States.

The Sub-Fund may also invest (i) up to 20% of its net assets in securities issued by entities domiciled in Latin America (Mexico, Central America, South America and the islands of the Caribbean, including Puerto Rico); and (ii) up to 20% of its net assets in securities issued by entities domiciled in Asia (the Asian continent and the surrounding Pacific islands including Australia and New Zealand).

The Sub-Fund may invest up to 10% of its net assets in equity securities and up to 10% of its net assets in convertible bonds or bonds with warrants attached.

In addition, the Sub-Fund may invest up to 20% of its net assets in contingent convertible bonds ("CoCos") and up to 10% of its net assets in unrated bonds.

The Sub-Fund may invest up to 10% of its net assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may also invest in financial derivative instruments including but not limited to swaps (including interest-rate swaps and credit-default swaps), forwards, futures and options, within the limits stated under the headline "Techniques and Instruments" for efficient portfolio management and to gain long or short exposure to assets and markets, as well as for hedging purposes.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA Merril Lynch Global High Yield Constrained Index, fully hedged against USD, (the "Benchmark") for asset allocation and performance comparison purposes. The Sub-Fund does not track the Benchmark. Although the majority of the securities held in the Sub-Fund's portfolio are components of the Benchmark and may have similar weighting to the Benchmark. However, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents. The Sub-Fund's portfolio may deviate from the Benchmark.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.15% for Class A Shares and Class AE Shares
- 0.50% for Class I Shares and Class IEH Shares
- 0.37% for Class M Shares and Class ME Shares
- 0.37% for the Class V Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk Profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's Risk and Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested.

High Yield Bond Risk: The Sub-Fund aims to invest a large portion of its portfolio in high yield bonds. This type of bonds offers the client the chance to gain higher returns through growing your capital and generating income. Nevertheless, there is a greater risk that the entity which issued the bond will fail, which would result in a loss of income to the Sub-Fund along with its initial investment.

Subordinated debt risk: The Sub-Fund aims to invest a portion of its portfolio in subordinated debt. Subordinated debt is riskier than unsubordinated debt. Subordinated debt is any type of loan that is paid after all other corporate debts and loans are repaid in the case of borrower default. Borrowers of subordinated debt are usually larger corporations or other business entities. Subordinated debt, opposite to unsubordinated debt, is lower prioritized in bankruptcy or default situations.

Conversion risk: The CoCos in which the Sub-Fund may invest carry the risk that they may be converted into equity if an issuer’s regulatory capital is eroded by losses. CoCos tend to have higher price volatility and may be more difficult to sell than other securities as a result.

Counterparty risk: The Sub-Fund may deposit cash as margin for its derivatives positions with brokers and counterparties. The Sub-Fund is therefore exposed to the risk that a counterparty or credit institution may become unable to meet its financial obligations or declare bankruptcy.

Credit risk: The Sub-Fund invests in bonds and other fixed income securities, being subject to the risk that issuers may not make payments on such securities (credit risk). An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Investing in lower quality debt securities is more susceptible to these problems and their value may be more volatile.

Downgrade risk: If an issuer experiences difficulties in its business, the credit ratings of the issuer’s subordinated debt securities will generally be downgraded and they will lose value faster than the issuer’s unsubordinated debt securities.

Emerging markets risk: The Sub-Fund may invest a portion of its portfolio in emerging markets economies. Emerging markets generally are heavily dependent upon international trade and,

accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade.

Liquidity risk: Liquidity risk is the risk that the Sub-Fund may encounter difficulties meeting its obligations in respect of financial liabilities that are settled by delivering cash or other financial assets, thereby compromising existing or remaining investors. High yield debt may increase the level of liquidity risk.

7. Investor profile

Typical investors in the Sub-Fund will be investors who are looking to maximise long term returns and are looking for a flexible, benchmark agnostic approach and diversified exposure to global fixed income markets and are willing to accept the risks and volatility associated with investing in global high yield fixed income markets, including emerging markets.

8. Global exposure

The global exposure of the Sub-Fund is measured by the absolute VaR (Value-at-Risk) methodology.

The Sub-Fund’s expected level of leverage is 200% of the net asset value of the Sub-Fund, although it is possible that leverage might significantly exceed this level from time to time. The Sub-Fund's level of leverage may be higher than this expected level as long as the Sub-Fund remains in line with its risk profile and complies with its VaR limit. The expected level of leverage may for example be higher when volatility increases, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

The annual report will provide the actual level of leverage over the past period and additional explanations on this figure.

9. Swing Pricing Mechanism

The Sub-Fund may apply swing pricing as defined under the heading "Swing Pricing Mechanism" section of this Prospectus.

APPENDIX 26

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER PROSPERITY

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class AEH
- Class F
- Class I
- Class IE
- Class M
- Class RKP
- Class V

3. Investment Minimum

Shares of Class A may only be acquired by investors subscribing for a minimum amount of USD 100. Shares of Class AE and Class AEH may only be acquired by investors subscribing for a minimum amount of EUR 100.

Shares of Class I and Class IE may only be acquired by investors subscribing for a minimum amount of USD 1,000,000.

No minimum subscription amount is applicable to Class F.

4. Investment Policy

The Sub-Fund is an equity fund that strives for economic results, while at the same time seeking to attain its sustainable investment objective through the United Nations Sustainable Development Goals (the "**SDGs**") with a special focus on the following: No Poverty, Good Health and Well-Being, Quality Education, Gender Equality, Decent work and Economic Growth and Reduced Inequalities.

Santander Prosperity is an equity fund with an investment process that integrates a sustainable approach investing in companies that provide solutions to social challenges through their products or services, that can offer superior growth prospects, and by that create social outcomes.

The Sub-Fund seeks to attain its sustainable investment objective with an investment process that integrates a sustainable approach investing in companies that provide solutions to mainly social challenges through their products or services, that can offer superior growth prospects, and by that create social outcomes.

The multilayered investment process is described below.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices. The Sub-Fund has a sustainable objective to improve the wellbeing of society, by investing in companies that sell products and services related to mainly social issues in alignment with SDGs.

The selection of the companies is made from the eligible universe to which an avoid harm screen and a positive screen are applied as described below.

An exclusionary screening is applied pre-investment to avoid investing in companies whose activities have significant adverse impacts on sustainability factors and which are therefore not aligned with the Sub-Fund's sustainable investment objective, or that clearly violate recognized international norms and standards. Companies excluded include those who have any business activities (measured in terms of turnover) related to controversial weapons, armament, tobacco, coal mining, coal-based power generation and fossil fuels. Additionally, there is an analysis of controversies leveraging external data provider research that allows to identify the violation of certain ESG values, such as those promoted by the UN Global Compact. Companies involved in controversies considered critical, are excluded from the Sub-Fund's investment universe.

Once companies with significant adverse impacts have been removed from the investment universe of the Sub-Fund, a positive screening ensures the selection of companies whose business intend to generate positive social outcomes and contribute to the achievement of SDGs, with a particular focus on No Poverty, Good Health and Well-Being, Quality Education, Gender Equality, Decent work and Economic Growth and Reduced Inequalities that are related to three main social themes: 1) Health and Wellbeing, 2) Education and Financial Inclusion and 3) Food and Nutrition.

Companies in the investment universe have a link, through company specific metrics, to underlying indicators of the relevant SDG targets. These metrics are used to measure the attainment of the sustainable objectives.

For a company to be eligible, it must have at least 30% of its revenues related to the SDGs, though can also include other companies that, according to the Investment Manager's assessment, provide a relevant contribution to solve the main social challenges, that could be reinforced by the Investment Manager's engagement with the relevant companies.

After completing the above exclusionary and positive screenings, the Sub-Fund's portfolio construction methodology includes fundamental and quantitative factors in its process. That will allow the Investment Manager to build a portfolio assigning different weightings to the different names to maximize the risk/reward characteristics of the Sub-Fund's overall portfolio.

The Sub-Fund will invest mainly in equities of companies operating in developed countries all over the world. The Sub-Fund may invest up to 20% of its net assets in emerging market countries as defined by MSCI and that are included in the MSCI Emerging Markets Index.

This Sub-Fund is an all-cap fund, which may invest in large cap companies, as well as small/mid cap companies without predetermination of countries or sectors.

The Sub-Fund may invest up to 30% of its net assets in fixed income securities, either through government bonds or corporate bonds with a minimum BBB- rating and a duration of less than 3 years.

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

The Sub-Fund may invest up to 10% of its net assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus provided that these UCITS/UCIs have also been categorised under article 9 of the SFDR.

The Sub-Fund may invest in money market funds, bank deposits and money market instruments up to 30% of its net assets.

The Sub-Fund may also invest in financial derivative instruments including forwards, futures and options, with equity indices, currencies or single stocks as underlyings, for efficient portfolio management and hedging purposes.

The Sub-Fund can have exposure to currencies other than the Reference Currency up to 80% of the Sub-Fund's net assets. The Sub-Fund does not use a specific currency strategy but may use currency instruments for hedging and efficient portfolio management.

The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund has sustainable investment as its objective within the meaning of article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector, as amended ("SFDR") as set out in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the MSCI World Net Total Return USD Index (the "Benchmark"). The Sub-Fund does not track the Benchmark. The Benchmark is only used for performance comparison purposes. However, the Investment Manager may use its discretion to select certain holdings contained in the Benchmark based on an analysis of market conditions and an analysis of a company's prospects and valuations as well as the screening process defined. The Investment Manager is not constrained in any way by the Benchmark. As such, the Investment Manager will not hold all the Benchmark constituents.

5. Management Fees

The Management Company will be paid a maximum annual management fee of
- 1.25% for Class A Shares, Class AE Shares and Class AEH Shares
- 0.25% for Class F Shares
- 0.50% for Class I Shares and Class IE Shares
- 0.42% for Class M Shares and Class V Shares

- 0.50% for Class RKP Shares

of the average total net assets of the Shares.

Social Contribution:

An amount equal to 15% of the Management Fee of the Sub-Fund received by the Management Company shall be contributed by SAM Investment Holdings, S.L. to the Global Fund (https://www.theglobalfund.org/en/) to fight AIDS, Tuberculosis and Malaria, amongst other humanitarian programs, in collaboration with (RED) (https://www.red.org/).

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review the Sub-Fund's Investor Profile and Investment Policy.

The Sub-Fund could be exposed to equity market risk at up to a level of 100% of its assets. Fluctuations in the prices of the securities held by the Sub-Fund and overall rise or falls in one or more of the Sub-Fund's investment markets may, to a greater or lesser extent, have a positive or negative effect on the Company's performance.

Some eligible stocks may be quoted in a currency other than the USD. Investors are therefore reminded that the Sub-Fund's assets may be exposed to foreign exchange risk.

The Sub-Fund offers no guarantee or capital protection. The initial investment might not be recovered in full and consequently investors are exposed to a risk of losing partially or entirely the capital invested in the Sub-Fund.

A value-oriented investment approach is subject to the risk that a security believed to be undervalued does not appreciate in value as anticipated.

To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

Investing in global equities, the Sub-Fund must comply with many legal requirements in various jurisdictions, which are subject to change and may materially affect the Sub-Fund's activity. Being exposed to several jurisdictions could also affect the returns of the Sub-Fund also from a tax perspective.

The Sub-Fund may invest in shares that are economically tied to countries with developing, or "emerging market" economies. Emerging market countries are generally located in Asia, Africa, the Middle East, Latin America and the developing countries of Europe. They are normally defined as economies that have relatively low gross national product per capita and with the potential for rapid economic growth. Risks of emerging markets securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of

currency hedging techniques; companies that are newly organized and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition, emerging markets securities may have different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions. Settlement problems may cause the Sub-Fund to miss attractive investment opportunities, hold a portion of its assets in cash pending investment, or be delayed in disposing of a portfolio security. Such a delay could result in possible liability to a purchaser of the security.

8. Investor profile

History has shown that equity investments have the potential to give better long-term returns than money market securities or bonds. However, they are more volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

For investors in non-USD denominated Classes, it must be stressed that this Sub-Fund is invested and denominated in USD and thus the investors bear a risk on the evolution of USD against non-USD denominated Classes.

9. Other information

The costs of investment research services will be borne by the Sub-Fund.

APPENDIX 27

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER TARGET MATURITY 2026 EURO

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AD

3. Investment Minimum

Shares of Class A and AD may only be acquired by investors subscribing for a minimum amount of EUR 100.

4. Investment Policy

The investment objective of this Sub-Fund is to provide Shareholders with investment growth in the medium term, through a diversified portfolio of fixed income assets. Further information on the Sub-Fund's portfolio construction is specified below under "Ramp-up period".

The Sub-Fund mainly invests up to 100% of its net assets in both public and private fixed income instruments in EUR including deposits and money market instruments. The Sub-Fund will mainly invest in EU entities.

The fixed income securities in which the Sub-Fund invests will be issued by entities domiciled principally in OECD countries. The total exposure to emerging markets will not exceed 10% of the Sub-Fund's net assets.

The instruments of the Sub-Fund's portfolio will have an expected maturity in the fourth quarter of 2026 (the "**Term Date of the Portfolio**"). Further information on the Term Date of the Portfolio are specified below under "Term Date of the Portfolio".

The Investment Manager will seek to invest in bonds with the intention of holding them to maturity whilst actively monitoring and maintaining the portfolio of the Sub-Fund.

The Sub-Fund will invest in bonds with a final maturity date on or before the Term Date of the Portfolio. However, the Sub-Fund may acquire bonds with maturity dates beyond the Term Date of the Portfolio.

The Sub-Fund's credit quality will be at least of BBB- on average rating. The Sub-Fund may invest up to 50% of its net assets in securities rated lower than Baa3/BBB- by major credit rating agencies at the time of the purchase or in unrated debt.

This Sub-Fund seeks a high level of diversification to minimise risk without any predetermination in term of sectors, duration, or credit rating (subject to the credit rating limitations mentioned above).

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

The Sub-Fund may invest up to 40% of its net assets in subordinated debt, including convertible bonds, which are typically issued to perpetuity with a buy-back option (i.e. callable bonds also known as a redeemable bond, being defined as a bond that the issuer may redeem before it reaches the stated maturity date) and contingent convertible bonds ("CoCos").

The Sub-Fund will not invest more than 20% of its net assets in CoCos.

The Sub-Fund does not intend to invest directly in equity securities, however the Sub-Fund may hold ordinary equity securities in the event that such ordinary equity securities are acquired by way of conversion from another security held by the Sub-Fund (e.g. a convertible or CoCos that automatically converts into equity securities of the issuer under certain circumstances). In the event such conversion occurs, the maximum exposure to equity securities will be 15% of the Sub-Fund's net assets.

The Sub-Fund may hold non-EUR denominated fixed income instruments. Non-EUR denominated currency exposure is limited to 30% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

For efficient portfolio management and for hedging purposes, the Sub-Fund may also invest in financial derivative instruments, such as interest rate futures, government bond futures, participatory notes and currency forwards, within the limits stated under the headline "Techniques and Instruments".

The Sub-Fund will not hold more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Ramp-up period

The Sub-Fund's portfolio will be built up until 31 March 2023 and prior to this date the Sub-Fund may hold cash (within the limits in the paragraph above), and invest in deposits, money markets instruments and short-term investment grade bonds with a duration of less than 18 months, with due regard to the principle of risk spreading and in accordance with Article 49 of the Law of 2010.

Term Date of the Portfolio

As the Term Date of the Portfolio approaches, the Sub-Fund's portfolio will be progressively composed of cash (within the limits above), deposits, short term bonds and money market

instruments to preserve the Sub-Fund's Net Asset Value and to enable the Sub-Fund to be managed adopting a conservative approach. The Sub-Fund may also invest in bonds with maturity dates beyond the Term Date of the Portfolio as indicated above.

The Term Date of the Portfolio may be deferred for up to 3 months if it is in the best interests of shareholders. In such case, the Shareholders will be informed by means of a notice.

Upon the Term Date of the Portfolio, the portfolio and the Sub-Fund will reach their maturity date and after this date the Board of Directors will take a decision on the future of the Sub-Fund (such options may include, but are not limited to, the liquidation of the Sub-Fund, a merger or a change of the investment policy) while continuing to manage the portfolio in order to maintain the performance. Shareholders will be informed on the future of the Sub-Fund by means of a notice.

During the 3 months following the Term Date of the Portfolio, the Sub-Fund will continue to be managed by holding cash and investing in deposits, money market instruments, short term investment grade bonds with a duration of less than 18 months and a credit quality with at least BBB- on average rating. This period may last up to 6 months (including the 3 months of deferral if any) and the Sub-Fund will be closed for subscriptions by new investors during this period.

For the avoidance of doubt, the Sub-Fund will not fall within the scope of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as it may be amended or supplemented from time to time.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid a maximum annual management fee of 1.00% for Class A Shares and Class AD Shares of the average total net assets of the Shares.

6. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut-off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

7. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of up to 1% of the redemption amount, calculated on the basis of the Net Asset Value per Share, may be charged by distributors in Germany.

8. Risk profile

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

Bonds Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio.

Investing in fixed income or related fixed income securities involves bearing interest rate risk. Interest rate risk is the risk that fixed income securities and other fixed income related instruments will decline in value because of an increase in interest rates. As interest rates rise, the value of these securities is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A wide variety of factors can cause interest rates to rise (e.g., monetary policies, inflation rates, general economic conditions, etc.). This is especially true under economic conditions where interest rates are at low levels. Interest rate changes can be sudden and unpredictable, and the Sub-Fund may lose money as a result of movements in interest rates.

Investing in bonds and other fixed income securities, being subject to the risk that issuers may not make payments on such securities (credit risk). An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Investing in lower quality debt securities is more susceptible to these problems and their value may be more volatile. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities.

Some of the bonds held by the Sub-Fund may have exposure to emerging markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade.

Contingent convertible instruments “CoCos” are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. They are risky and highly complex instruments that are likely to be issued in large amounts by financial institutions such as banks and building societies.

9. Investor profile

Typical investors in the Sub-Fund will be investors who are looking to maximise returns within the maturity period described in the Investment Policy. The investors are willing to accept the risk and volatility associated to debt instruments and fluctuations in interest rates.

10. Other information

The costs of investment research services will be borne by the Sub-Fund.

11. Swing Pricing Mechanism

The Sub-Fund may apply swing pricing as defined under the heading "Swing Pricing Mechanism" section of this Prospectus.

APPENDIX 28

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER TARGET MATURITY 2026 DOLLAR

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AD

3. Investment Minimum

Shares of Class A and AD may only be acquired by investors subscribing for a minimum amount of USD 100.

4. Investment Policy

The investment objective of this Sub-Fund is to provide Shareholders with investment growth in the medium term, through a diversified portfolio of fixed income assets. Further information on the Sub-Fund's portfolio construction is specified below under "Ramp-up period".

The Sub-Fund mainly invests up to 100% of its net assets in both public and private fixed income instruments in USD, including deposits and money market instruments. The Sub-Fund will mainly invest in US entities.

The fixed income securities in which the Sub-Fund invests will be issued by entities domiciled principally in OECD countries. The total exposure to emerging markets will not exceed 10% of the Sub-Fund's net assets.

The instruments of the Sub-Fund's portfolio will have an expected maturity in the first quarter of 2026 (the "**Term Date of the Portfolio**"). Further information on the Term Date of the Portfolio are specified below under "Term Date of the Portfolio".

The Investment Manager will seek to invest in bonds with the intention of holding them to maturity whilst actively monitoring and maintaining the portfolio of the Sub-Fund.

The Sub-Fund will invest in bonds with a final maturity date on or before the Term Date of the Portfolio. However, the Sub-Fund may acquire bonds with maturity dates beyond the Term Date of the Portfolio.

The Sub-Fund credit quality will be at least of BBB- on average rating. The Sub-Fund may invest up to 50% of its net assets in securities rated lower than Baa3/BBB- by major credit rating agencies at the time of the purchase or in unrated debt.

This Sub-Fund seeks a high level of diversification to minimise risk without any predetermination in term of sectors, duration, or credit rating (subject to the credit rating limitations mentioned above).

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

The Sub-Fund may invest up to 40% of its net assets in subordinated debt, including convertible bonds, which are typically issued to perpetuity with a buy-back option (i.e. callable bonds also known as a redeemable bond, being defined as a bond that the issuer may redeem before it reaches the stated maturity date) and contingent convertible bonds ("CoCos").

The Sub-Fund will not invest more than 20% of its net assets in CoCos.

The Sub-Fund does not intend to invest directly in equity securities, however the Sub-Fund may hold ordinary equity securities in the event that such ordinary equity securities are acquired by way of conversion from another security held by the Sub-Fund (e.g. a convertible or CoCos that automatically converts into equity securities of the issuer under certain circumstances). In the event such conversion occurs, the maximum exposure to equity securities will be 15% of the Sub-Fund's net assets.

The Sub-Fund may hold non-USD denominated fixed income instruments. Non-USD denominated currency exposure is limited to 30% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

For efficient portfolio management and for hedging purposes, the Sub-Fund may also invest in financial derivative instruments, such as interest rate futures, government bond futures, participatory notes and currency forwards, within the limits stated under the headline "Techniques and Instruments".

The Sub-Fund will not hold more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Ramp-up period

The Sub-Fund's portfolio will be built up until 31 March 2023 and prior to this date the Sub-Fund may hold cash (within the limits in the paragraph above), and invest in deposits, money markets instruments and short-term investment grade bonds with a duration of less than 18 months, with due regard to the principle of risk spreading and in accordance with Article 49 of the Law of 2010.

Term Date of the Portfolio

As the Term Date of the Portfolio approaches, the Sub-Fund's portfolio will be progressively composed of cash (within the limits above), deposits, short term bonds and money market instruments to preserve the Sub-Fund's Net Asset Value and to enable the Sub-Fund to be managed adopting a conservative approach. The Sub-Fund may also invest in bonds with maturity dates beyond the Term Date of the Portfolio as indicated above.

The Term Date of the Portfolio may be deferred for up to 3 months if it is in the best interests of shareholders. In such case, the Shareholders will be informed by means of a notice.

Upon the Term Date of the Portfolio, the portfolio and the Sub-Fund will reach their maturity date and after this date the Board of Directors will take a decision on the future of the Sub-Fund (such options may include, but are not limited to, the liquidation of the Sub-Fund, a merger or a change of the investment policy) while continuing to manage the portfolio in order to maintain the performance. Shareholders will be informed on the future of the Sub-Fund by means of a notice.

During the 3 months following the Term Date of the Portfolio, the Sub-Fund will continue to be managed by holding cash and investing in deposits, money market instruments, short term investment grade bonds with a duration of less than 18 months and a credit quality with at least BBB- on average rating. This period may last up to 6 months (including the 3 months of deferral if any) and the Sub-Fund will be closed for subscriptions by new investors during this period.

For the avoidance of doubt, the Sub-Fund will not fall within the scope of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as it may be amended or supplemented from time to time.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid a maximum annual management fee of 1.00% for Class A Shares and Class AD Shares of the average total net assets of the Shares.

6. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut-off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

7. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of up to 1% of the redemption amount, calculated on the basis of the Net Asset Value per Share, may be charged by distributors in Germany.

8. Risk profile

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

Bonds Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio.

Investing in fixed income or related fixed income securities involves bearing interest rate risk. Interest rate risk is the risk that fixed income securities and other fixed income related instruments will decline in value because of an increase in interest rates. As interest rates rise, the value of these securities is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A wide variety of factors can cause interest rates to rise (e.g., monetary policies, inflation rates, general economic conditions, etc.). This is especially true under economic conditions where interest rates are at low levels. Interest rate changes can be sudden and unpredictable, and the Sub-Fund may lose money as a result of movements in interest rates.

Investing in bonds and other fixed income securities, being subject to the risk that issuers may not make payments on such securities (credit risk). An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Investing in lower quality debt securities is more susceptible to these problems and their value may be more volatile. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities.

Some of the bonds held by the Sub-Fund may have exposure to emerging markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade.

Contingent convertible instruments “CoCos” are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. They are risky and highly complex instruments that are likely to be issued in large amounts by financial institutions such as banks and building societies.

9. Investor profile

Typical investors in the Sub-Fund will be investors who are looking to maximise returns within the maturity period described in the Investment Policy. The investors are willing to accept the risk and volatility associated to debt instruments and fluctuations in interest rates.

10. Other information

The costs of investment research services will be borne by the Sub-Fund.

11. Swing Pricing Mechanism

The Sub-Fund may apply swing pricing as defined under the heading "Swing Pricing Mechanism" section of this Prospectus.

APPENDIX 29

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GO ASIAN EQUITY

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class AE
- Class AEH
- Class I
- Class M
- Class ME
- Class RKP
- Class V

3. Investment Minimum

Shares of Class A may only be acquired by investors subscribing for a minimum amount of USD 100. Shares of Class AE and AEH may only be acquired by investors subscribing for a minimum amount of EUR 100.

Shares of Class I may only be acquired by investors subscribing for a minimum amount of USD 1,000,000.

4. Investment Policy

The Sub-Fund aims to provide capital growth in excess of the MSCI Emerging Markets Asia (Net TR) index over a three to five year period.

The Sub-Fund is actively managed and invests at least two-thirds of its net assets in equity and equity related securities of companies located in the emerging markets in Asia.

The Sub-Fund may invest directly in China B-Shares and China H-Shares and may invest less than 30% of its net assets directly or indirectly (for example via participatory notes (including delta one securities and warrants)) in China A-Shares through:
– Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect; and
– regulated markets.

The Sub-Fund may also invest up to one-third of its net assets directly or indirectly in other securities, including securities in developed markets in the Asia Pacific ex Japan region, convertible bonds, warrants and participatory notes.

The Sub-Fund may invest up to 10% of its net assets in convertible bonds.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

The Sub-Fund will continuously invest at least 51% of its net assets directly or indirectly via UCITS and/or other UCIs in equity assets (including listed closed-ended real estate investment trusts (REITs)), excluding depository receipts and financial derivative instruments. In the case of indirect investments, the Sub-Fund will take into account the effective equity ratio of the underlying fund.

For efficient portfolio management and for hedging purposes, the Sub-Fund may also invest in financial derivative instruments, such as interest rate futures, government bond futures, participatory notes and currency forwards, within the limits stated under the headline "Techniques and Instruments".

The exposure to other currencies than the Reference Currency will be up to 100% of the Sub-Fund's net assets. The Sub-Fund does not use a specific currency strategy but may use currency instruments for hedging and efficient portfolio management.
The Sub-Fund may invest in money market funds, bank deposits and money market instruments up to 30% of its net assets.

The Sub-Fund may hold up to 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

Benchmark
The Sub-Fund is actively managed in reference to the MSCI Emerging Markets Asia (Net TR) index (the "Benchmark"). The Sub-Fund does not track the Benchmark. The Benchmark is only used for performance comparison purposes. However, the Investment Manager may use its discretion to select certain holdings contained in the Benchmark based on an analysis of market conditions and an analysis of a company's prospects and valuations as well as the screening process defined. The Investment Manager is not constrained in any way by the Benchmark. As such, the Investment Manager will not hold all the Benchmark constituents.

5. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.40% for Class A Shares, Class AE Shares and Class AEH Shares
- 0.60% for Class I Shares
- 0.57% for Class M Shares, Class ME Shares and Class V Shares
- 0.60% for class RKP

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review the Sub-Fund's Risk Profile and Investment Policy.

The Sub-Fund could be exposed to equity market risk at up to a level of 100% of its net assets. Fluctuations in the prices of the securities held by the Sub-Fund and overall rise or falls in one or more of the Sub-Fund's investment markets may, to a greater or lesser extent, have a positive or negative effect on the Company's performance.

Some eligible stocks may be quoted in a currency other than the USD. Investors are therefore reminded that the Sub-Fund's assets may be exposed to foreign exchange risk.

The Sub-Fund offers no guarantee or capital protection. The initial investment might not be recovered in full and consequently investors are exposed to a risk of losing partially or entirely the capital invested in the Sub-Fund.

A value-oriented investment approach is subject to the risk that a security believed to be undervalued does not appreciate in value as anticipated.

To the extent that this Sub-Fund may invest in derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

The Sub-Fund is also exposed to "Risks associated with investing in Chinese securities" and "Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect" as further detailed in the section "Risk Warnings" of the Prospectus.

The Sub-Fund may invest in shares that are economically tied to countries with developing, or "emerging market" economies. Emerging market countries are generally located in Asia, Africa, the Middle East, Latin America and the developing countries of Europe. They are normally defined as economies that have relatively low gross national product per capita and with the potential for rapid economic growth. Risks of emerging markets securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organized and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition, emerging markets securities may have different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions. Settlement problems may cause the Sub-Fund to miss attractive investment opportunities, hold a portion of its assets in cash pending investment, or be delayed in disposing of a portfolio security. Such a delay could result in possible liability to a purchaser of the security.

Regarding sustainability risks, it has to be noted that the Investment Manager does not consider the principal adverse impacts of investment decisions on sustainability factors for this Sub-Fund.

8. Investor profile

History has shown that equity investments have the potential to give better long-term returns than money market securities or bonds. However, they are more volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely

to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

For investors in non-USD denominated Classes, it must be stressed that this Sub-Fund is denominated in USD and may be invested up to 100% in non-USD and thus the investors bear a risk associated to currencies.

APPENDIX 30

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER US EQUITY ESG

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Cass AE
- Class AEH
- Class I
- Class M
- Class RKP
- Class S
- Class V

3. Investment Policy

The investment objective of the Sub-Fund is to invest its assets in a diversified portfolio of securities issued by US companies seeking long term capital appreciation. The Sub-Fund will be actively managed with the objective of outperforming the S&P 500® Net Total Return Index (the "Benchmark") over long term. This is a target only and not a guaranteed outcome.

Under normal market conditions the Sub-Fund will primarily invest in US equities of established large-capitalization companies, following a disciplined and systematic investment process and stock picking companies which hold a set of specific characteristics and that the Investment Manager's investment team reviews on an ongoing basis.

The Sub-Fund's portfolio is constructed by combining a process of "top-down" sector analysis derived from the macroeconomic environment with a "bottom-up" analysis of the companies. The Sub-Fund invests in a concentrated portfolio where the selection of companies is made on the basis of different factors: competitive advantages, attractive valuation, outstanding growth, restructuring opportunities. The tracking-error is limited to between 3% and 5%.

During the investment process, and after applying the fundamental criteria listed in the paragraph above, the Sub-Fund will apply an ESG approach (as set out below in the section "Sustainable Finance Disclosure Regulation categorization"), seeking to promote environmental, social and governance factors on the cash flows of the companies in which it may invest.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in equities, although depending on the opportunities of the markets it could invest as well in exchange traded and over-the-counter options, futures and other financial derivative instruments within the limits stated in headline "Techniques and Instruments" to achieve the exposure to equity markets and as further described below.

The Sub-Fund may invest up to 10% of its net assets in securities issued by non-US companies.

The Sub-Fund may invest part of its assets in money market instruments to facilitate transactions and flows. The Sub-Fund will not hold more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may invest up to 10% of its net assets in exchange traded funds qualifying as UCITS.

The Sub-Fund will continuously invest at least 51% of its net assets directly or indirectly via UCITS and/or other UCIs in equity assets, excluding depository receipts and financial derivative instruments. In the case of indirect investments the Sub-Fund will take into account the effective equity ratio of the underlying fund.

The Sub-Fund may invest in financial derivative instruments, including futures, forwards and swaps, within the limits stated under the headline "Techniques and Instruments" to gain long or short exposure to assets and markets, as well as for investment, hedging or efficient portfolio management purposes.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed and aims to outperform the Benchmark. The Sub-Fund does neither track the Benchmark nor uses it for portfolio allocation purposes. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. Although the deviation from the Benchmark could be relatively low in terms of tracking error, the Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents but it is a concentrated portfolio of 50-60 company names. The Sub-Fund’s portfolio may deviate from the Benchmark as indicated above.

4. Management Fees

The Management Company will be paid an annual management fee of

- 1.00% for Class A Shares, Class AE Shares and Class AEH Shares
- 0.60% for Class I Shares
- 0.03% for Class M Shares
- 0.50% for Class RKP Shares
- 0.25% for Class S Shares
- 0.23% for Class V Shares

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

7. Investor profile

History has shown that equity investments have the potential to give better long-term returns than money market securities or bonds. However, they are more volatile in the short term which means that they can fall sharply in value. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

For investors in non-USD denominated Classes, it must be stressed that this Sub-Fund is invested and denominated in USD and thus the investors bear a risk on the evolution of USD against non-USD denominated Classes.

8. Other information

The costs of investment research services will be borne by the Sub-Fund.

APPENDIX 31

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER TARGET MATURITY 2025 EURO

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AD

3. Investment Minimum

Shares of Class A and AD may only be acquired by investors subscribing for a minimum amount of EUR 100.

4. Investment Policy

The investment objective of this Sub-Fund is to provide Shareholders with investment growth in the medium term, through a diversified portfolio of fixed income assets. Further information on the Sub-Fund's portfolio construction is specified below under "Ramp-up period".

The Sub-Fund mainly invests up to 100% of its net assets in both public and private fixed income instruments in EUR including deposits and money market instruments. The Sub-Fund will mainly invest in EU entities.

The fixed income securities in which the Sub-Fund invests will be issued by entities domiciled principally in OECD countries. The total exposure to emerging markets will not exceed 10% of the Sub-Fund's net assets.

The instruments of the Sub-Fund's portfolio will have an expected maturity in the fourth quarter of 2025 (the "**Term Date of the Portfolio**"). Further information on the Term Date of the Portfolio is specified below under "Term Date of the Portfolio".

The Investment Manager will seek to invest in bonds with the intention of holding them to maturity whilst actively monitoring and maintaining the portfolio of the Sub-Fund.

The Sub-Fund will invest in bonds with a final maturity date on or before the Term Date of the Portfolio. However, the Sub-Fund may acquire bonds with maturity dates beyond the Term Date of the Portfolio.

The Sub-Fund's credit quality will be at least of BBB- on average rating. The Sub-Fund may invest up to 50% of its net assets in securities rated lower than Baa3/BBB- by major credit rating agencies at the time of the purchase or in unrated debt.

This Sub-Fund seeks a high level of diversification to minimise risk without any predetermination in term of sectors, duration, or credit rating (subject to the credit rating limitations mentioned above).

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

In the event that any ESG criteria is not met as required in the investment strategy, specific actions will be taken to improve/correct the ESG profile of the Sub-fund. These actions could include selling underlying holdings or rebalancing the portfolio.

The Sub-Fund may invest up to 40% of its net assets in subordinated debt, including convertible bonds, which are typically issued to perpetuity with a buy-back option (i.e. callable bonds also known as a redeemable bond, being defined as a bond that the issuer may redeem before it reaches the stated maturity date) and contingent convertible bonds ("CoCos").

The Sub-Fund will not invest more than 20% of its net assets in CoCos.

The Sub-Fund does not intend to invest directly in equity securities, however the Sub-Fund may hold ordinary equity securities in the event that such ordinary equity securities are acquired by way of conversion from another security held by the Sub-Fund (e.g. a convertible or CoCos that automatically converts into equity securities of the issuer under certain circumstances). In the event such conversion occurs, the maximum exposure to equity securities will be 15% of the Sub-Fund's net assets.

The Sub-Fund may hold non-EUR denominated fixed income instruments. Non-EUR denominated currency exposure is limited to 30% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

For efficient portfolio management and for hedging purposes, the Sub-Fund may also invest in financial derivative instruments, such as interest rate futures, government bond futures, participatory notes and currency forwards, within the limits stated under the headline "Techniques and Instruments".

The Sub-Fund will not hold more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Ramp-up period

The Sub-Fund's portfolio will be built up until 30 November 2023 and prior to this date the Sub-Fund may hold cash (within the limits in the paragraph above), and invest in deposits, money markets instruments and short-term investment grade bonds with a duration of less than 18 months, with due regard to the principle of risk spreading and in accordance with Article 49 of the Law of 2010.

Term Date of the Portfolio

As the Term Date of the Portfolio approaches, the Sub-Fund's portfolio will be progressively composed of cash (within the limits above), deposits, short term bonds and money market instruments to preserve the Sub-Fund's Net Asset Value and to enable the Sub-Fund to be managed adopting a conservative approach. The Sub-Fund may also invest in bonds with maturity dates beyond the Term Date of the Portfolio as indicated above.

The Term Date of the Portfolio may be deferred for up to 3 months if it is in the best interests of shareholders. In such case, the Shareholders will be informed by means of a notice.

Upon the Term Date of the Portfolio, the portfolio and the Sub-Fund will reach their maturity date and after this date the Board of Directors will take a decision on the future of the Sub-Fund (such options may include, but are not limited to, the liquidation of the Sub-Fund, a merger or a change of the investment policy) while continuing to manage the portfolio in order to maintain the performance. Shareholders will be informed on the future of the Sub-Fund by means of a notice.

During the 3 months following the Term Date of the Portfolio, the Sub-Fund will continue to be managed by holding cash and investing in deposits, money market instruments, short term investment grade bonds with a duration of less than 18 months and a credit quality with at least BBB- on average rating. This period may last up to 6 months (including the 3 months of deferral if any) and the Sub-Fund will be closed for subscriptions by new investors during this period.

For the avoidance of doubt, the Sub-Fund will not fall within the scope of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as it may be amended or supplemented from time to time.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

5. Management Fees

The Management Company will be paid a maximum annual management fee of 0.60% for Class A Shares and Class AD Shares of the average total net assets of the Shares.

6. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut-off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

7. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of up to 1% of the redemption amount, calculated on the basis of the Net Asset Value per Share, may be charged by distributors in Germany.

8. Risk profile

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

Bonds Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio.

Investing in fixed income or related fixed income securities involves bearing interest rate risk. Interest rate risk is the risk that fixed income securities and other fixed income related instruments will decline in value because of an increase in interest rates. As interest rates rise, the value of these securities is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A wide variety of factors can cause interest rates to rise (e.g., monetary policies, inflation rates, general economic conditions, etc.). This is especially true under economic conditions where interest rates are at low levels. Interest rate changes can be sudden and unpredictable, and the Sub-Fund may lose money as a result of movements in interest rates.

Investing in bonds and other fixed income securities, being subject to the risk that issuers may not make payments on such securities (credit risk). An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Investing in lower quality debt securities is more susceptible to these problems and their value may be more volatile. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities.

Some of the bonds held by the Sub-Fund may have exposure to emerging markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade.

Contingent convertible instruments “CoCos” are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. They are risky and highly complex instruments that are likely to be issued in large amounts by financial institutions such as banks and building societies.

9. Investor profile

Typical investors in the Sub-Fund will be investors who are looking to maximise returns within the maturity period described in the Investment Policy. The investors are willing to accept the risk and volatility associated to debt instruments and fluctuations in interest rates.

10. Other information

The costs of investment research services will be borne by the Sub-Fund.

11. Swing Pricing Mechanism

The Sub-Fund may apply swing pricing as defined under the heading "Swing Pricing Mechanism" section of this Prospectus.

APPENDIX 32

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER TARGET MATURITY EURO II

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

The Sub-Fund is created for a limited term until a date which is expected to be up to 4 years from its launch date, in accordance with the Term Date of the Portfolio, as defined below. The launch date and fixed period for which the Sub-Fund is created will be determined at the time of launch and will be disclosed in the KIDs of the Sub-Fund.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AD

3. Investment Minimum

Shares of Class A and AD may only be acquired by investors subscribing for a minimum amount of EUR 100.

4. Investment Policy

The investment objective of this Sub-Fund is to provide Shareholders with investment growth in the medium term, through a diversified portfolio of fixed income assets. Further information on the Sub-Fund's portfolio construction is specified below under "Ramp-up period".

The Sub-Fund mainly invests up to 100% of its net assets in both public and private fixed income instruments in EUR including deposits and money market instruments. The Sub-Fund will mainly invest in EU entities.

The fixed income securities in which the Sub-Fund invests will be issued by entities domiciled principally in OECD countries. The total exposure to emerging markets will not exceed 10% of the Sub-Fund's net assets.

The instruments of the Sub-Fund's portfolio will have an expected maturity in line with the "**Term Date of the Portfolio**". Further information on the Term Date of the Portfolio is specified below under "Term Date of the Portfolio". The Term Date of the Portfolio will be communicated to the Shareholders by means of a notice to be posted on the website of the Management Company under the following link www.santanderassetmanagement.lu.

The Investment Manager will seek to invest in bonds with the intention of holding them to maturity whilst actively monitoring and maintaining the portfolio of the Sub-Fund.

The Sub-Fund will invest in bonds with a final maturity date on or before the Term Date of the Portfolio. However, the Sub-Fund may acquire bonds with maturity dates beyond the Term Date of the Portfolio.

The Sub-Fund's credit quality will be at least of BBB- on average rating. The Sub-Fund may invest up to 50% of its net assets in securities rated lower than Baa3/BBB- by major credit rating agencies at the time of the purchase or in unrated debt.

This Sub-Fund seeks a high level of diversification to minimise risk without any predetermination in term of sectors, duration, or credit rating (subject to the credit rating limitations mentioned above).

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

In the event that any ESG criteria is not met as required in the investment strategy, specific actions will be taken to improve/correct the ESG profile of the Sub-fund. These actions could include selling underlying holdings or rebalancing the portfolio.

The Sub-Fund may invest up to 40% of its net assets in subordinated debt, including convertible bonds, which are typically issued to perpetuity with a buy-back option (i.e. callable bonds also known as a redeemable bond, being defined as a bond that the issuer may redeem before it reaches the stated maturity date) and contingent convertible bonds ("CoCos").

The Sub-Fund will not invest more than 20% of its net assets in CoCos.

The Sub-Fund does not intend to invest directly in equity securities, however the Sub-Fund may hold ordinary equity securities in the event that such ordinary equity securities are acquired by way of conversion from another security held by the Sub-Fund (e.g. a convertible or CoCos that automatically converts into equity securities of the issuer under certain circumstances). In the event such conversion occurs, the maximum exposure to equity securities will be 15% of the Sub-Fund's net assets.

The Sub-Fund may hold non-EUR denominated fixed income instruments. Non-EUR denominated currency exposure is limited to 30% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

For efficient portfolio management and for hedging purposes, the Sub-Fund may also invest in financial derivative instruments, such as interest rate futures, government bond futures, participatory notes and currency forwards, within the limits stated under the headline "Techniques and Instruments".

The Sub-Fund will not hold more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal

market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Launch Date

The launch date is the date which the Management Company and/or the Investment Manager targets as being the date on which the Sub-Fund´s portfolio will be built (the "**Launch Date**").

The Launch Date will be decided by the Board of Directors and communicated to the public prior to launch by means of a notice to be posted on the website of the Management Company under the following link www.santanderassetmanagement.lu.

Ramp-up period

The Sub-Fund's portfolio will be built up during a period preceding the Launch Date and prior to this date the Sub-Fund may hold cash (within the limits in the paragraph above), and invest in deposits, money markets instruments and short-term investment grade bonds with a duration of less than 18 months, with due regard to the principle of risk spreading and in accordance with Article 49 of the Law of 2010.

Term Date of the Portfolio

As the Term Date of the Portfolio approaches, the Sub-Fund's portfolio will be progressively composed of cash (within the limits above), deposits, short term bonds and money market instruments to preserve the Sub-Fund's Net Asset Value and to enable the Sub-Fund to be managed adopting a conservative approach. The Sub-Fund may also invest in bonds with maturity dates beyond the Term Date of the Portfolio as indicated above.

The Term Date of the Portfolio may be deferred for up to 3 months if it is in the best interests of shareholders. In such case, the Shareholders will be informed by means of a notice.

Upon the Term Date of the Portfolio, the portfolio and the Sub-Fund will reach their maturity date and after this date the Board of Directors will take a decision on the future of the Sub-Fund (such options may include, but are not limited to, the liquidation of the Sub-Fund, a merger or a change of the investment policy) while continuing to manage the portfolio in order to maintain the performance. Shareholders will be informed on the future of the Sub-Fund by means of a notice.

During the 3 months following the Term Date of the Portfolio, the Sub-Fund will continue to be managed by holding cash and investing in deposits, money market instruments, short term investment grade bonds with a duration of less than 18 months and a credit quality with at least BBB- on average rating. This period may last up to 6 months (including the 3 months of deferral if any) and the Sub-Fund will be closed for subscriptions by new investors during this period.

For the avoidance of doubt, the Sub-Fund will not fall within the scope of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as it may be amended or supplemented from time to time.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

5. Management Fees

The Management Company will be paid a maximum annual management fee of 1.00% for Class A Shares and Class AD Shares of the average total net assets of the Shares.

6. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut-off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

7. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of up to 1% of the redemption amount, calculated on the basis of the Net Asset Value per Share, may be charged by distributors in Germany.

8. Risk profile

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

Bonds Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio.

Investing in fixed income or related fixed income securities involves bearing interest rate risk. Interest rate risk is the risk that fixed income securities and other fixed income related instruments will decline in value because of an increase in interest rates. As interest rates rise, the value of these securities is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A wide variety of factors can cause interest rates to rise (e.g., monetary policies, inflation rates, general economic conditions, etc.). This is especially true under economic conditions where interest rates are at low levels. Interest rate changes can be sudden and unpredictable, and the Sub-Fund may lose money as a result of movements in interest rates.

Investing in bonds and other fixed income securities, being subject to the risk that issuers may not make payments on such securities (credit risk). An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Investing in lower quality debt securities is more susceptible to these problems and their value may be more volatile. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities.

Some of the bonds held by the Sub-Fund may have exposure to emerging markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade.

Contingent convertible instruments “CoCos” are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. They are risky and highly complex instruments that are likely to be issued in large amounts by financial institutions such as banks and building societies.

9. Investor profile

Typical investors in the Sub-Fund will be investors who are looking to maximise returns within the maturity period described in the Investment Policy. The investors are willing to accept the risk and volatility associated to debt instruments and fluctuations in interest rates.

10. Other information

The costs of investment research services will be borne by the Sub-Fund.

11. Swing Pricing Mechanism

The Sub-Fund may apply swing pricing as defined under the heading "Swing Pricing Mechanism" section of this Prospectus.

APPENDIX 33

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER TARGET MATURITY EURO III

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

The Sub-Fund is created for a limited term until a date which is expected to be up to 4 years from its launch date, in accordance with the Term Date of the Portfolio, as defined below. The launch date and fixed period for which the Sub-Fund is created will be determined at the time of launch and will be disclosed in the KIDs of the Sub-Fund.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class A
- Class AD

3. Investment Minimum

Shares of Class A and AD may only be acquired by investors subscribing for a minimum amount of EUR 100.

4. Investment Policy

The investment objective of this Sub-Fund is to provide Shareholders with investment growth in the medium term, through a diversified portfolio of fixed income assets. Further information on the Sub-Fund's portfolio construction is specified below under "Ramp-up period".

The Sub-Fund mainly invests up to 100% of its net assets in both public and private fixed income instruments in EUR including deposits and money market instruments. The Sub-Fund will mainly invest in EU entities.

The fixed income securities in which the Sub-Fund invests will be issued by entities domiciled principally in OECD countries. The total exposure to emerging markets will not exceed 10% of the Sub-Fund's net assets.

The instruments of the Sub-Fund's portfolio will have an expected maturity in line with the "**Term Date of the Portfolio**". Further information on the Term Date of the Portfolio is specified below under "Term Date of the Portfolio". The Term Date of the Portfolio will be communicated to the Shareholders by means of a notice to be posted on the website of the Management Company under the following link www.santanderassetmanagement.lu.

The Investment Manager will seek to invest in bonds with the intention of holding them to maturity whilst actively monitoring and maintaining the portfolio of the Sub-Fund.

The Sub-Fund will invest in bonds with a final maturity date on or before the Term Date of the Portfolio. However, the Sub-Fund may acquire bonds with maturity dates beyond the Term Date of the Portfolio.

The Sub-Fund's credit quality will be at least of BBB- on average rating. The Sub-Fund may invest up to 50% of its net assets in securities rated lower than Baa3/BBB- by major credit rating agencies at the time of the purchase or in unrated debt.

This Sub-Fund seeks a high level of diversification to minimise risk without any predetermination in term of sectors, duration, or credit rating (subject to the credit rating limitations mentioned above).

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company and the Investment Manager will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

In the event that any ESG criteria is not met as required in the investment strategy, specific actions will be taken to improve/correct the ESG profile of the Sub-fund. These actions could include selling underlying holdings or rebalancing the portfolio.

The Sub-Fund may invest up to 40% of its net assets in subordinated debt, including convertible bonds, which are typically issued to perpetuity with a buy-back option (i.e. callable bonds also known as a redeemable bond, being defined as a bond that the issuer may redeem before it reaches the stated maturity date) and contingent convertible bonds ("CoCos").

The Sub-Fund will not invest more than 20% of its net assets in CoCos.

The Sub-Fund does not intend to invest directly in equity securities, however the Sub-Fund may hold ordinary equity securities in the event that such ordinary equity securities are acquired by way of conversion from another security held by the Sub-Fund (e.g. a convertible or CoCos that automatically converts into equity securities of the issuer under certain circumstances). In the event such conversion occurs, the maximum exposure to equity securities will be 15% of the Sub-Fund's net assets.

The Sub-Fund may hold non-EUR denominated fixed income instruments. Non-EUR denominated currency exposure is limited to 30% of the Sub-Fund's net assets.

The Sub-Fund may invest up to 10% of its net assets in UCITS and/or other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

For efficient portfolio management and for hedging purposes, the Sub-Fund may also invest in financial derivative instruments, such as interest rate futures, government bond futures, participatory notes and currency forwards, within the limits stated under the headline "Techniques and Instruments".

The Sub-Fund will not hold more than 20% of its net assets in in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Launch Date

The launch date is the date which the Management Company and/or the Investment Manager targets as being the date on which the Sub-Fund´s portfolio will be built (the "**Launch Date**").

The Launch Date will be decided by the Board of Directors and communicated to the public prior to launch by means of a notice to be posted on the website of the Management Company under the following link www.santanderassetmanagement.lu.

Ramp-up period

The Sub-Fund's portfolio will be built up during a period preceding the Launch Date and prior to this date the Sub-Fund may hold cash (within the limits in the paragraph above), and invest in deposits, money markets instruments and short-term investment grade bonds with a duration of less than 18 months, with due regard to the principle of risk spreading and in accordance with Article 49 of the Law of 2010.

Term Date of the Portfolio

As the Term Date of the Portfolio approaches, the Sub-Fund's portfolio will be progressively composed of cash (within the limits above), deposits, short term bonds and money market instruments to preserve the Sub-Fund's Net Asset Value and to enable the Sub-Fund to be managed adopting a conservative approach. The Sub-Fund may also invest in bonds with maturity dates beyond the Term Date of the Portfolio as indicated above.

The Term Date of the Portfolio may be deferred for up to 3 months if it is in the best interests of shareholders. In such case, the Shareholders will be informed by means of a notice.

Upon the Term Date of the Portfolio, the portfolio and the Sub-Fund will reach their maturity date and after this date the Board of Directors will take a decision on the future of the Sub-Fund (such options may include, but are not limited to, the liquidation of the Sub-Fund, a merger or a change of the investment policy) while continuing to manage the portfolio in order to maintain the performance. Shareholders will be informed on the future of the Sub-Fund by means of a notice.

During the 3 months following the Term Date of the Portfolio, the Sub-Fund will continue to be managed by holding cash and investing in deposits, money market instruments, short term investment grade bonds with a duration of less than 18 months and a credit quality with at least BBB- on average rating. This period may last up to 6 months (including the 3 months of deferral if any) and the Sub-Fund will be closed for subscriptions by new investors during this period.

For the avoidance of doubt, the Sub-Fund will not fall within the scope of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as it may be amended or supplemented from time to time.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

5. Management Fees

The Management Company will be paid a maximum annual management fee of 1.00% for Class A Shares and Class AD Shares of the average total net assets of the Shares.

6. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut-off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

7. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of up to 1% of the redemption amount, calculated on the basis of the Net Asset Value per Share, may be charged by distributors in Germany.

8. Risk profile

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

Bonds Sub-Funds can be suitable for Investors who are seeking a potentially higher return than that which is available from a money market fund, but who do not want to accept the volatility inherent in an equity portfolio.

Investing in fixed income or related fixed income securities involves bearing interest rate risk. Interest rate risk is the risk that fixed income securities and other fixed income related instruments will decline in value because of an increase in interest rates. As interest rates rise, the value of these securities is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A wide variety of factors can cause interest rates to rise (e.g., monetary policies, inflation rates, general economic conditions, etc.). This is especially true under economic conditions where interest rates are at low levels. Interest rate changes can be sudden and unpredictable, and the Sub-Fund may lose money as a result of movements in interest rates.

Investing in bonds and other fixed income securities, being subject to the risk that issuers may not make payments on such securities (credit risk). An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Investing in lower quality debt securities is more susceptible to these problems and their value may be more volatile. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities.

Some of the bonds held by the Sub-Fund may have exposure to emerging markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have

been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade.

Contingent convertible instruments “CoCos” are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. They are risky and highly complex instruments that are likely to be issued in large amounts by financial institutions such as banks and building societies.

9. Investor profile

Typical investors in the Sub-Fund will be investors who are looking to maximise returns within the maturity period described in the Investment Policy. The investors are willing to accept the risk and volatility associated to debt instruments and fluctuations in interest rates.

10. Other information

The costs of investment research services will be borne by the Sub-Fund.

11. Swing Pricing Mechanism

The Sub-Fund may apply swing pricing as defined under the heading "Swing Pricing Mechanism" section of this Prospectus.

APPENDIX 34

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER GLOBAL VOLATILITY

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Euro (EUR).

2. Classes of Shares

- Class B
- Class F
- Class I
- Class X

3. Investment Minimum

Shares of Class F may only be acquired by investors subscribing for a minimum amount of EUR 10,000,000.

4. Investment Policy

The Sub-Fund aims to generate medium to long-term growth while tolerating short-term fluctuations in value. To achieve its investment objective, the Sub-Fund employs strategies to exploit the volatility on the global equity, bond and interest rate, currency combined with low-risk liquidity management.

Volatility is a measure of the intensity of fluctuation in price and yield changes. The volatility strategies implemented by the Investment Manager systematically capitalize on relative price differences in different volatility segments.

The investment team analyses market volatility patterns to determine the direction and extent of Sub-Fund's volatility exposure: positive exposure when volatility is low and anticipated to rise, negative exposure when volatility is high and anticipated to decline. It also seeks to benefit from short term fluctuations of volatility ("volatility of the volatility"). Potential price and currency risks can be hedged through futures contracts.

The Sub-Fund may invest or gain indirect exposure of 100% in debt instruments. Debt instruments in which the Sub-Fund may invest may include government bonds with an investment grade rating or any other fixed income security or instruments such as money market instruments and which have a minimum rating of BBB-/Baa3.

In the event that an issuer's credit rating is downgraded, the issuer's credit standing will immediately be assessed and appropriate actions for any specific instrument of the relevant issuer within the Sub-Fund may be taken. These actions could include selling the underlying holdings or retaining the holdings to maturity depending on the specific characteristics of the instrument; in either event, the decision will be based on what is in the best interest of the Shareholders of the Sub-Fund. In case of a rating downgrade of any debt securities that the Sub-Fund may have invested in, the Sub-Fund could be exposed to distressed securities. In this case, the Management Company will take reasonable efforts so that this exposure will not exceed 10% of the Sub-Fund's net assets and that the distressed securities are liquidated in the best interests of Shareholders.

The Sub-Fund may also invest or gain indirect exposure in equities, certificates, as well as up to 10% of net assets in units of other UCITS and/or other UCIs.

The Sub-Fund mainly uses financial derivative instruments in order to achieve its investment objective, especially options, forwards, futures, swaps and total return swaps (on a continuous basis), within the limits stated under the headline "Techniques and Instruments" for efficient portfolio management and to gain long or short exposure to assets and markets, for investment as well as for hedging purposes.

The underlying of the total return swaps will consist of instruments in which the Sub-Fund may invest according to its investment policy. In particular, total return swaps may be used to gain exposure to equity or fixed income transferable securities and equity or fixed income related securities. The expected proportion of the assets of the Sub-Fund that can be subject to total return swaps is 40% in normal market conditions and the maximum proportion of the assets of the Sub-Fund that could be subject to them is 100%.

If the currency of a Share Class is different from the Reference Currency, foreign exchange derivatives could be used to compensate the exchange rate risk between currency of the Share Class and Reference Currency.

The Sub-Fund may invest in term deposits or money market instruments for cash management purposes. Liquidity management aims to achieve a near-money market return. In exceptional circumstance, the Sub-Fund's portfolio may be composed of term deposits and money market instruments: investment grade government and corporate bonds with duration lower than 12 months, for up to 100% of the Sub-Fund's net assets during market phases offering insufficient opportunities to utilize volatility.

For the avoidance of doubt, the Sub-Fund will not fall within the scope of Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, as it may be amended or supplemented from time to time.

The Sub-Fund will not hold more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

Benchmark
The Sub-Fund is actively managed and it is not managed in reference to a benchmark.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

5. Management Fees

The Management Company will be paid a maximum annual management fee of

- 1.40% for Class B Shares
- 0.50% for Class F Shares
- 0.75% for Class I Shares
- 0.40% for Class X Shares

of the average total net assets of the Shares.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of up to 1% of the redemption amount, calculated on the basis of the Net Asset Value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's risk and the Investment Policy.

The specific risk factors of this Sub-Fund are mostly legal risks, valuation risks, credit risks, collateral risks and those associated to the use of total return swaps and the creation of leverage. These risks might increase its return but must be taken into account. There is a risk for the investors to eventually recover an amount lower than the one invested.

Transaction costs related to the Sub-Fund's investment strategy are a material component of its performance and may lower the yield. They are paid from the assets of the Sub-Fund and occur in addition to the charges set out in the "Fees and Expenses" section.

By investing in financial derivative instruments there can be no assurance that the valuation determined in accordance with the market standard valuation techniques reflects the exact amount at which the instrument may be closed out.
The use of financial derivative instruments may also expose the Sub-Fund to legal risks, with potential losses resulting from changing laws or from the unexpected application of a new law or regulation, or when a court declares a contract not legally enforceable.

To meet its investment objective the Sub-Fund will use OTC financial derivative instruments (including total return swaps). Collateral or margin may be passed by the Sub-Fund to a counterparty or broker in respect of OTC transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

The Sub-Fund creates high leverage (invests in a way that magnifies the gain or loss it would normally receive) and its net asset value is therefore likely to be more volatile and the risk of large losses is greater compared to an unleveraged fund. Leverage risk can be created by many derivatives and by taking short positions (which also involves derivatives).

The high levels of leverage provide the opportunity to boost the capital appreciation and profits but, at the same time, will substantially increase the exposure to capital risk, including the risk that losses can exceed the amount invested in particular securities or instruments and that investors lose their entire investment.

8. Investor profile

The recommended investment horizon is medium to long term.

Investment in this Sub-Fund is suitable for institutional investors and retail investors with knowledge of investing in funds seeking to increase the value of their investment over the recommended holding period and who are prepared to take on a high level of risk to their original capital.

9. Global exposure

The global exposure of the Sub-Fund is measured by the absolute VaR (Value-at-Risk) methodology.

The Sub-Fund's expected level of leverage is between 60-70**%** of the net asset value of the Sub-Fund, although it is possible that leverage might significantly exceed this level from time to time. The Sub-Fund's level of leverage may be higher than this expected level as long as the Sub-Fund remains in line with its risk profile and complies with its VaR limit. The expected level of leverage may for example be higher when volatility increases, when interest rates are expected to change or when credit spreads are expected to widen or tighten.

The annual report will provide the actual level of leverage over the past period and additional explanations on this figure.

10. Other information

The costs of investment research services will be borne by the Sub-Fund.

APPENDIX 35

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER MULTI INDEX INCOME

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

EURO (EUR).

2. Classes of Shares

Class AD

3. Investment Policy

The objective of this Sub-Fund is to provide a consistent level of income and return over a full market cycle investing in a portfolio with exposure to a diversified range of fixed interest instruments and equities worldwide corporate, sovereign or quasi-sovereign issuers, with no more than 60% of its net assets exposed to equities.

The Sub-Fund's credit quality will be at least of BBB- on average rating. The Sub-Fund may invest up to 20% of its net assets in securities rated lower than Baa3/BBB- by major credit rating agencies at the time of the purchase and will not invest more than 10% of its net assets in contingent convertible bonds ("CoCos"). Also, the Sub-Fund will not invest more than 30% of its net assets in emerging markets.

Exposure to these asset classes will be achieved through investments in exchange traded funds, typically aiming at tracking different benchmarks. Such undertakings for collective investment shall qualify as UCITS or other UCIs as defined under the heading "Units of undertakings for collective investment" in the investment restrictions section.

The Sub-Fund may hold non-Euro denominated assets. Non-Euro denominated currency exposure is limited to 50% of the Sub-Fund's net assets.

The Sub-Fund will not invest more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may also invest in derivative instruments such as options, futures and forwards within the limits stated under the headline "Techniques and Instruments" to achieve the exposure to the asset classes as well as for hedging purposes. These derivatives may be traded on either a regulated market mentioned under sub-paragraphs a), b) or c) under the headline "Eligible Assets" or OTC and entered into with highly rated financial institutions specializing in this type of transactions and participating actively in the relevant market. In this case this Sub-Fund may hold money market instruments, bonds or cash in order to finance the margin calls.

Sustainable Finance Disclosure Regulation categorization

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR") as set out in in Annex I of this Prospectus.

Benchmark
The Sub-Fund is actively managed in reference to the ICE BofA Euro Government Index (15%); ICE BofA Euro Corporate Index (35%); MSCI ACWI ex Europe USD Net (30%); MSCI Europe High Dividend Yield EUR Net (20%) (the "Benchmark"). The Sub-Fund does not track the Benchmark. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. However, the Investment Manager uses its discretion to allocate to different assets based on an analysis of the market conditions, economy prospects and valuations. As such, the Investment Manager will deviate from the Benchmark asset allocation and invest in other allowed assets that might not be part of it.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 0.95% for Class AD Shares

of the average total net assets of the Shares.

5. Subscription, Conversion and Redemption of Shares

A prior notice of one Dealing Day will be required for subscription, conversion and redemption applications lodged with the Administrative Agent in Luxembourg before 16:00 Luxembourg time (the "cut off time") so that any application received before the cut off time of any Dealing Day D will be processed at the Net Asset Value determined as of the Dealing Day D+1 and calculated and published on the applicable Valuation Day.

6. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

7. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest is taken, investors are advised to carefully review this Sub-Fund's risk and the Investment Policy.

The specific risk factors of this Sub-Fund are mostly market risk, interest rate and credit risks and, when relevant, currency risks and risks associated with the use of structured securities, warrants and financial derivative instruments. There is a risk for the investors to eventually recover an amount lower than the one invested. These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

The Net Asset Value of the Sub-Fund depends on the net asset value of the underlying funds and other assets that this Sub-Fund may hold, which depends on the market value of the underlying securities.

Investments in this Sub-Fund investing in other UCITS and UCIs may be subject to deductions on commissions and charges, particularly the commissions and charges of the depositary and central administration, management/advisory fees and commissions collected at the time of issuance/redemptions, at the level of the Sub-Fund and at the level of the target UCITS and UCIs.

In addition, this Sub-Fund may include investments in emerging markets, which imply a higher degree of risk. Political and economic instability have to be considered. In addition to withholding taxes on investment income, some emerging markets may impose capital gains taxes. Foreign investment restrictions may be imposed, such as those on remittances and on investment in certain industries and prior governmental approval requirements. Emerging market securities may be substantially less liquid than those of mature markets. This may adversely affect the timing and pricing of a Sub-Fund's acquisition or disposal of securities. The price and currency risks inherent in all international investments may be increased by the volatility of some individual emerging markets.

Contingent convertible instruments “CoCos” are hybrid capital securities that absorb losses when the capital of the issuer falls below a certain level. They are risky and highly complex instruments that are likely to be issued in large amounts by financial institutions such as banks and building societies.

These risks might increase its return but must be taken into account. These risks are further described under the headline "Risk Warnings".

8. Investor profile

The recommended investment horizon is medium to long term. Although the exposure to equities is limited to 60%, the allocation between fixed income and equities within the portfolio of the Sub-Fund and within this 60% equities limit is not fixed, and there is no pre-determined objective or maximum limits with respect to the allocation of assets per economic sector, geography, or with respect to issuer type (public/private), or with respect to issuer rating etc. Investors should be prepared to accept losses due to fluctuation in the market value of the above described assets. Therefore the Sub-Fund is suitable for investors seeking a diversified portfolio who can accept a degree of risk to their capital.

APPENDIX 36

TO THE PROSPECTUS OF SANTANDER SICAV

relating to the Sub-Fund

SANTANDER US EQUITY HEDGED

The information contained in this Appendix should be read in conjunction with the full text of the Prospectus.

1. Reference Currency

Dollars of the United States of America (USD).

2. Classes of Shares

- Class A
- Class I
- Class X

3. Investment Policy

The investment objective of the Sub-Fund is to invest its assets in a diversified portfolio of securities issued by US companies and seeking long term capital appreciation with lower volatility than traditional long-only US equity strategies, through the use of financial derivatives instruments. The Sub-Fund will be actively managed and targets to provide superior risk-adjusted returns than the S&P 500 over a full market cycle.

The Sub-Fund combines a fundamental stock selection with a disciplined option overlay strategy intending to mitigate downside risk, while limiting some capital appreciation potential. The objective of the Sub-Fund is to capture equity-like returns while delivering better risk adjusted returns in the long term.

In order to achieve its investment objective, this Sub-Fund will mainly invest its assets in equities and will seek to reduce the volatility of the equity markets through exchange traded and over-the-counter options, futures and other financial derivative instruments within the limits stated in headline "Techniques and Instruments" of this Prospectus.

The Sub-Fund may invest part of its assets in money market instruments to facilitate transactions and flows. The Sub-Fund will not hold more than 20% of its net assets in ancillary liquid assets, being cash and deposits at sight (such as cash held in current accounts) for ancillary liquidity purposes in normal market conditions. Under exceptionally unfavourable market conditions and on a temporary basis, this limit may be exceeded, if justified in the interest of the investors.

The Sub-Fund may invest up to 10% of its assets in UCITS and other UCIs as defined under the heading "Units of undertakings for collective investment" of the "Investment Restrictions applicable to Eligible Assets" section of this Prospectus.

The Sub-Fund will continuously invest at least 51% of its net assets in equity directly or indirectly via UCITS and/or other UCIs, excluding depository receipts and financial derivative instruments. In the case of indirect investments, the Sub-Fund will take into account the effective equity ratio of the underlying fund.

The Sub-Fund may invest in financial derivative instruments, including futures, options and swaps, within the limits stated under the headline "Techniques and Instruments" to gain long exposure to assets and markets, as well as for investment, hedging or efficient portfolio management purposes. The Sub-Fund will notably use financial derivative instruments to hedge the volatility risk inherent to equity markets as further explained above.

Benchmark
The Sub-Fund is actively managed in reference to the S&P 500® Net Total Return Index (the "Benchmark").

The Sub-Fund does neither track the Benchmark nor uses it for portfolio allocation purposes. The reason for referring to the Benchmark in this investment policy is to indicate that it is used for performance comparison purposes. The Investment Manager uses its discretion to select holdings based on an analysis of market conditions and an analysis of a company's prospects and valuations. As such, the Investment Manager will not hold all of the Benchmark constituents but it is a concentrated portfolio of 50-60 company names. The Sub-Fund's portfolio may deviate significantly from the Benchmark.

Principal adverse impacts
The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process as the investment policy of the Sub-Fund does not promote any environmental and/or social characteristics.

4. Management Fees

The Management Company will be paid a maximum annual management fee of

- 0.80% for Class A Shares
- 0.20% for Class I Shares
- 0.15% for X Class

of the average total net assets of the Shares.

5. Sales Charge

Distributors in Germany

A sales charge of up to 5% of the subscription amount may be charged by distributors in Germany.

A sales charge of 1% of the redemption amount, calculated on the basis of the net asset value per Share, may be charged by distributors in Germany.

6. Risk profile

Investment in this Sub-Fund is subject to a degree of financial risk. Before any decision to invest, investors are advised to carefully review this Sub-Fund's Risk and Investment Objectives and Policies.

The investments of this Sub-Fund are subject to market fluctuations and there is a risk for the investors to eventually recover an amount lower than the one invested.

To the extent that this Sub-Fund may invest in warrants and derivative instruments, potential investors should be aware of the greater volatility of these instruments and the consequent increased volatility of this Sub-Fund's Shares.

7. Investor profile

History has shown that equity investments have the potential to give better long-term returns than money market securities or bonds. In principle, they are more volatile in the short term which means that they can fall sharply in value. However, the sub-fund aims to reduce volatility risk on equity markets with the use of financial derivatives instruments. Investors who are looking for long-term capital growth are likely to choose equity investments, but they must be prepared to a higher level of risk, particularly over shorter time periods.

8. Other information

The costs of investment research services will be borne by the Sub-Fund.

ANNEX I – Pre-contractual disclosures

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Go Short Duration Dollar **Legal entity identifier:** 95980020140005538004

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐Yes	☒No
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes a broad range of environmental and social characteristics through its inclusion criteria for investments that promote environmental and/or social characteristics. It is required to invest at least 51% of its assets in such securities. It also promotes certain norms and values by excluding particular issuers from the portfolio.

Through its inclusion criteria, the Sub-Fund promotes environmental characteristics which may include effective management of toxic emissions and waste as well as good environmental record. It also promotes social characteristics which may include effective sustainability disclosures, positive scores on labour relations and management of safety issues.

Through its exclusion criteria, the Sub-Fund promotes certain norms and values such as support for the protection of internationally proclaimed human rights and reducing toxic emissions, by fully excluding issuers that are involved in particular activities such as manufacturing controversial weapons and applying maximum revenue, production or distribution percentage thresholds to others such as those that are involved in thermal coal, coal power, unconventional fossil fuels and tobacco. Exclusions are outlined below.

No benchmark has been designated for the purpose of attaining the environmental or social characteristics.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

A combination of the Investment Manager's proprietary ESG scoring methodology and/or third-party data are used as indicators to measure the attainment of the environmental and/ or social characteristics that the Sub-Fund promotes.

To be included in the 51% of assets promoting environmental and/or social characteristics, an issuer must score in the top 80% relative to the investment universe on either its environmental score or social score and follow good governance practices.

To promote certain norms and values, the Investment Manager utilizes data to measure a company's participation in activities potentially contrary to the Sub-Fund's exclusion policy as referenced in the answer to the question directly above such as issuers manufacturing controversial weapons. The data may be obtained from investee issuers themselves and/or supplied by third party service providers (including proxy data). Data inputs that are self-reported by issuers or supplied by third-party providers may be based on data sets and assumptions that may be insufficient of poor quality or contain biased information. Third party data providers are subject to rigorous vendor selection criteria which may include analysis on data sources, coverage, timeliness, reliability and overall quality of the information, however, the Investment Manager cannot guarantee the accuracy or completeness of such data.

Screening on that data results in full exclusions on certain potential investments and partial exclusions based on maximum percentage thresholds on revenue, production or distribution on others. Exclusions applicable to this Sub-Fund that are not captured within the core exclusions referenced above are as follows:

a. Exclusion of issuers that are involved in any controversial weapons production and/or participation.

b. Exclusion of issuers that have revenues >25% in thermal coal production

c. Exclusion of issuers that have revenues >25% in coal power generation production.

d. Exclusion of issuers that have revenues >30% in unconventional fossil fuels production/participation. We define unconventional fossil fuels as the sum of the production and/or participation in oil sands, shale energy and arctic oil.

A subset of the "Adverse Sustainability Indicators" as set out in the EU SFDR Regulatory Technical Standards is also incorporated in the screening and the relevant metrics are used to identify and screen out identified violators.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The objectives of the Sustainable Investments that the Sub-Fund partially intends to make may include any individual or combination of the following or be linked to an environmental or social objective through the use of proceeds of the issue: Environmental Objectives (i) climate risk mitigation, (ii) transition to a circular economy; Social Objectives (i) inclusive and sustainable communities - increased female executive representation, (ii) inclusive and sustainable communities - increased female representation on boards of directors and (iii) providing a decent working environment and culture.

Contribution to such objectives is determined by either (i) products and services sustainability indicators, which may include the percentage of revenue derived from providing products and / or services that contribute to the relevant sustainable objective, such as company producing solar panels or clean energy technology that meets the Investment Manager's proprietary thresholds contributing to climate risk mitigation. The current percentage of revenue is set at a minimum of 20% and the entire holding in the issuer is considered a Sustainable Investment; (ii) the use of proceeds of the issue, if such use is designated as linked to a specific environmental or social objective, or (iii) being an operational peer group leader contributing to the relevant objective. Being a peer group leader is defined as scoring in the top 20% relative to the Sub-Fund's investment universe based on certain operational sustainability indicators. For example, scoring in the top 20% relative to the investment universe on total waste impact

contributes to a transition to a circular economy. The test for supranational and sovereign issuers may consider the issuer's mission or contributions, as peer group leaders or improvers, to positive environmental and social objectives subject to certain criteria.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The Sustainable Investments that the Sub-Fund partially intends to make are subject to a screening process that seeks to identify and exclude from qualifying as a Sustainable Investment, those issuers which the Investment Manager considers the worst offending, based on a threshold determined by the Investment Manager, in relation to certain environmental considerations. Such considerations include climate change, protection of water and marine resources, transition to a circular economy, pollution and protection of biodiversity and ecosystems. The Investment Manager also applies a screen that seeks to identify and exclude those issuers that the Investment Manager considers to be in violation of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights based on data supplied by third party service providers

How have the indicators for adverse impacts on sustainability factors been taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

The indicators for adverse impacts on sustainability factors in Table 1 of Annex 1 and certain indicators, as determined by the Investment Manager, in Tables 2 and 3 of Annex 1 of the EU SFDR Regulatory Technical Standards have been taken into account as further described below. The Investment Manager either uses the metrics in the EU SFDR Regulatory Technical Standards, or where this is not possible due to data limitations or other technical issues, it uses a representative proxy. The Investment Manager consolidates the consideration of certain indicators into a "primary" indicator as set out further below and it may use a broader set of indicators than referenced below. The relevant indicators in Table 1 of Annex 1 of the EU SFDR Regulatory Technical Standards consist of 9 environmental and 5 social and employee related indicators. The environmental indicators are listed at 1-9 and relate to green-house gas emissions (1-3), exposure to fossil fuel, share of non-renewable energy consumption and production, energy consumption intensity, activities negatively affecting biodiversity sensitive areas, emissions to water and hazardous waste (4-9 respectively). Indicators 10 – 14 relate to an issuers social and employee matters and cover violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles, unadjusted gender pay gap, Board gender diversity and exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons) respectively.

The Investment Manager also takes into account PAI 16 in relation to Investee countries subject to social violations. The Investment Manager's approach includes quantitative and qualitative aspects to take the indicators into account. It uses particular indicators for screening, seeking to exclude issuers that may cause significant harm. It uses a subset for engagement seeking to influence best practice and it uses certain of them as indicators of positive sustainability performance, by applying a minimum threshold in respect of the indicator to qualify as a Sustainable Investment.

The data needed to take the indicators into account, where available, may be obtained from investee issuers themselves and/ or supplied by third party service providers (including proxy data). Data inputs that are self-reported by issuers or supplied by third-party providers may be based on data sets and assumptions that may be insufficient of poor quality or contain biased information. The Investment Manager cannot guarantee the accuracy or completeness of such data.

Screening

Certain of the indicators are taken into account through the values and norms-based screening to implement exclusions. These exclusions consider indicators 10, 14 and 16 in relation to UN

Global Compact principles and OECD Guidelines for Multinational Enterprises, controversial weapons and investee countries subject to social violations.

The Investment Manager also applies a purpose-built screen. Due to certain technical considerations, such as data coverage in respect of specific indicators, the Investment Manager either applies the specific indicator per Table 1 or a representative proxy, as determined by the Investment Manager to screen investee issuers in respect of the relevant environmental or social & employee matters. For example, greenhouse gas emissions are associated with several indicators and corresponding metrics in Table 1, such as greenhouse gas emissions, carbon footprint and greenhouse gas intensity (indicators 1-3). The Investment Manager currently uses greenhouse gas intensity data (indicator 3), data in respect of non-renewable energy consumption and production (indicator 5) and data on energy consumption intensity (indicator 6) to perform its screening in respect of greenhouse gas emissions.

In connection with the purpose-built screening and in respect of activities negatively affecting biodiversity sensitive areas and the emissions to water (indicators 7 and 8), due to data limitations, the Investment Manager uses a third-party representative proxy rather than the specific indicators per Table 1. The Investment Manager also considers indicator 9 in relation to hazardous waste in respect of the purpose-built screen.

Engagement

In addition to screening out certain issuers as described above, the Investment Manager engages on an ongoing basis with selected underlying investee issuers. A subset of the indicators will be used, subject to certain technical considerations such as data coverage, as the basis for engaging with selected underlying investee issuers in accordance with the approach taken by the Investment Manager on stewardship and engagement. The indicators currently used in respect of such engagement include indicators 3, 5 and 13 in relation to greenhouse gas intensity, share of non-renewable energy and board gender diversity from Table 1. It also uses indicators 2 in Table 2 and 3 in Table 3 in relation to emission of air pollutants and number of days lost to injuries, accidents, fatalities, or illness.

Indicators of sustainability

The Investment Manager uses indicators 3 and 13 in relation to GHG Intensity and board gender diversity as indicators of sustainability to assist in qualifying an investment as a Sustainable Investment. One of the pathways requires an issuer to be considered as an operational peer group leader to qualify as a Sustainable Investment. This requires scoring against the indicator in the top 20% relative to the Sub-Funds investment universe.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager ‘s values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager’s action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group’s corporate policies and the Investment Manager’s own policies as well as being part of the Investment Manager’s sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

☐ No

The Investment Manager's approach to considering principal adverse impacts includes quantitative and qualitative aspects to take these indicators into account. It uses particular indicators for screening, seeking to exclude companies that may cause significant harm. It also uses a subset for engagement seeking to influence best practice and it uses certain indicators to determine whether an investment is a Sustainable Investment. This process is subject to the quality, coverage, and availability of the corresponding data. These steps are further outlined below.

Screening

Certain of the indicators are taken into account through the values and norms-based screening to implement exclusions. These exclusions consider indicators 4 (in relation to exposure to companies active in the fossil fuel sector); and 10 and 14 in relation to UN Global Compact principles and OECD Guidelines for Multinational Enterprises and controversial weapons; and finally, indicator 16 in regard to investee countries subject to social violations.

Engagement

In addition to screening out certain companies as described above, the Investment Manager engages on an ongoing basis with selected underlying investee companies. A subset of the indicators will be used, subject to certain technical considerations such as data coverage, as the basis for identifying those underlying investee companies that will be subject to an indicator led engagement. The indicators currently used in respect of such engagement include indicators 3, 5 and 13 in relation to greenhouse gas intensity, share of non-renewable energy and board gender diversity from Table 1. It also uses indicators 2 in Table 2 and 3 in Table 3 in relation to emissions or air pollutants and number of days lost to injuries, accidents, fatalities or illness. Engagement is conditional on a number of factors, including indicator performance, and it may be the case that holdings within this portfolio do not meet the investment managements threshold for requiring an engagement.

Indicators applicable to sustainable investments

The Investment Manager considers all the required PAIs related to these investments, and specifically uses indicators 3, 9, and 13 in relation to GHG Intensity, Hazardous waste ratio and board gender diversity as indicators of sustainability to assist in qualifying an investment as a Sustainable Investment.

In addition, the Investment Manager applies a purpose-built screen specific to sustainable investments which takes into account greenhouse gas intensity data (indicator 3), data in respect of non-renewable energy consumption and production (indicator 5) and data on energy consumption intensity (indicator 6) to perform its screening in respect of greenhouse gas emissions and indicator 9 in relation to hazardous waste.

Data

The data needed to take the above indicators into account, where available, may be obtained from investee companies themselves and/or supplied by third party service providers (including proxy data). Data inputs that are self-reported by companies or supplied by third-party providers may be based on

data sets and assumptions that may be insufficient of poor quality or contain biased information. The Investment Manager cannot guarantee the accuracy or completeness of such data.

What investment strategy does this financial product follow?

The Sub-Fund's strategy can be considered in respect of its general investment approach and ESG approach as follows: Investment approach

- Investment team generates a comprehensive economic outlook to determine appropriate interest rate and sector positioning.
- Credit research analysts conduct fundamental analysis on companies to identify suitable investment opportunities.
- Compared to a money market fund, incorporates longer-term investments where appropriate for additional return potential.

ESG approach:

- Excludes certain sectors, companies / issuers or practices based on specific values or norms-based criteria.
- At least 51% of assets to be invested in positive ESG issuers / companies.
- At least 10% of assets to be invested in Sustainable Investments.
- All issuers / companies follow good governance practices.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics are:

- The requirement to invest at least 51% of assets in issuers with positive environmental and/or social characteristics.
- The values and norms-based screening to implement full exclusions in relation to issuers that are involved in certain activities such as manufacturing controversial weapons and applying maximum revenue, production or distribution percentage thresholds to others such as those that are involved in thermal coal, coal power generation, unconventional fossil fuels and tobacco.
- The requirement for all issuers in the portfolio to follow good governance practices. The Sub-Fund also commits to investing at least 10% of assets in Sustainable Investments.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not apply such a committed minimum rate.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

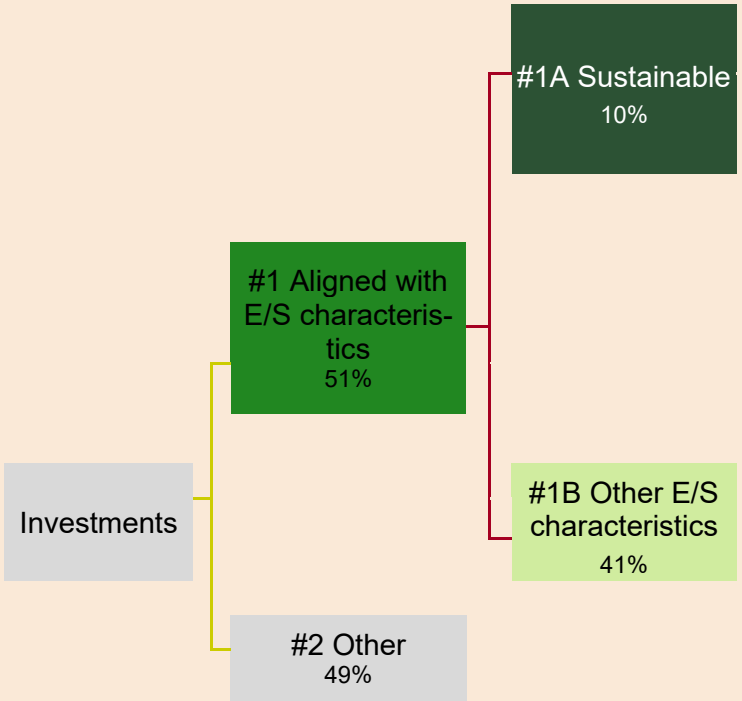
What is the policy to assess good governance practices of the investee companies?

Investments are screened to exclude known violators of good governance practices. In addition, for those investments included in the 51% of assets promoting environmental and/or social characteristics or qualifying Sustainable Investments, additional considerations apply. For these investments, the Sub-Fund incorporates a peer group comparison and screens out issuers that do not score in the top 80% relative to the Sub-Fund’s investment universe based on good governance indicators.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Sub-Fund does not use derivatives as part of its investment policy and accordingly, does not use them to attain the environmental and social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund invests at least 10% of assets in Sustainable Investments, however, 0% of assets are committed to Sustainable Investments with an environmental objective aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [3]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

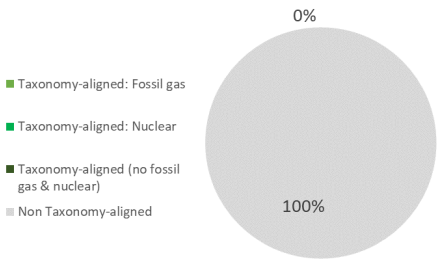
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

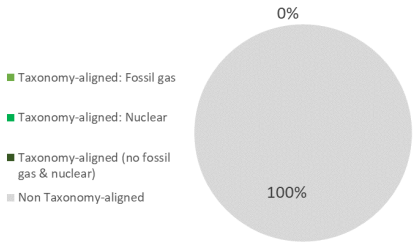
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments ***including sovereign bonds****



2. Taxonomy-alignment of investments ***excluding sovereign bonds****



This graph represents 100% of the total investment

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund invests at least 10% of assets in Sustainable Investments, typically across both environmental and social objectives. It does not commit to any specific individual or combination of Sustainable Investment objectives and therefore there is no committed minimum share.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund invests at least 10% of assets in Sustainable Investments, typically across both environmental and social objectives. However, it does not commit to any specific individual or combination of Sustainable Investment objectives and therefore there is no committed minimum share.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The “other” investments are comprised of issuers that did not meet the criteria described in response to above question entitled, “What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?" to qualify as exhibiting positive environmental or social characteristics. They are investments for diversification purposes.

Ancillary liquid assets (for managing cash subscriptions and redemptions as well as current and exceptional payments) are not included in the % of assets set out in the diagram above. These holdings fluctuate depending on investment flows and are ancillary to the investment policy with minimal or no impact on investment operations.

All investments, including “other” investments are subject to the following ESG Minimum Safeguards/principle:

- The minimum safeguards as outlined by Article 18 of the EU Taxonomy Regulation (including alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights).
- Application of good governance practices (these include sound management structures, employee relations, remuneration of staff and tax compliance).
- Compliance with the Do No Significant Harm principle as prescribed under the definition of Sustainable Investment in EU SFDR.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER EUROPEAN DIVIDEND

Legal entity identifier: 95980020140005539653

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐**Yes**	☒**No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in

accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).

- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.

- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.

- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions

are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose

business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy

where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

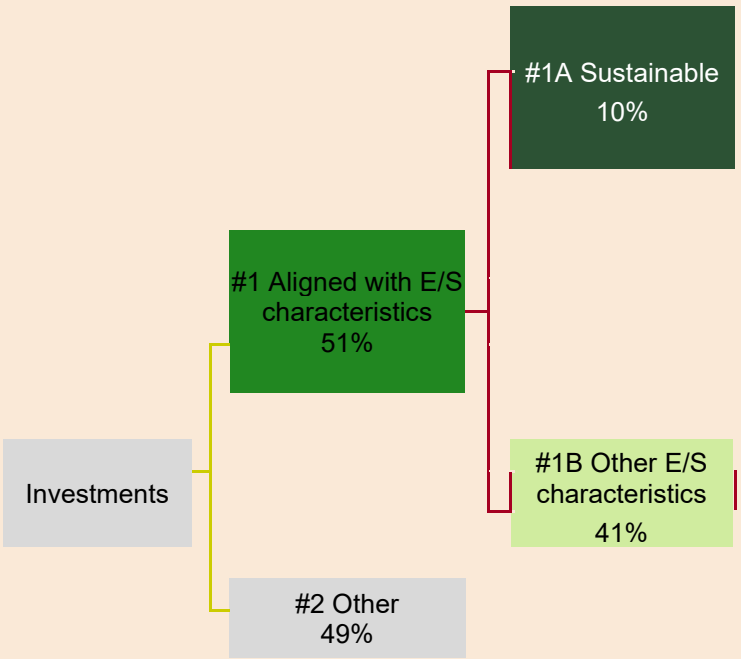
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [4]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

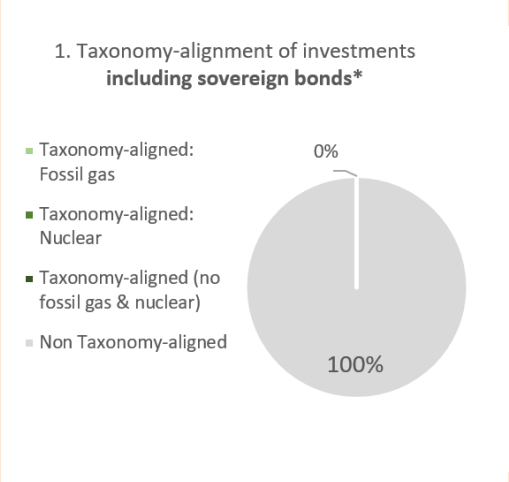
☒ No

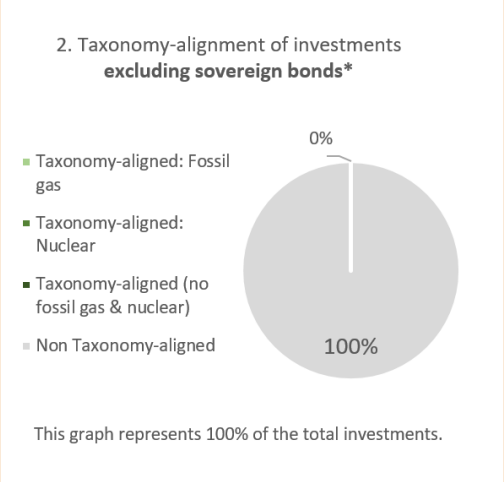
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[4] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER AM EURO CORPORATE BOND

Legal entity identifier: 9598002014000554091

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not m any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderasset-management.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and

political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),

- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

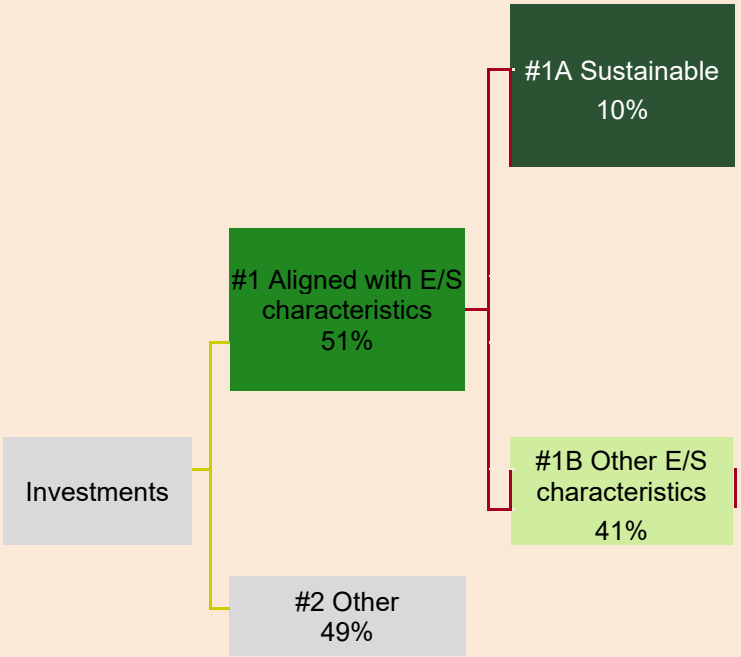
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[5]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

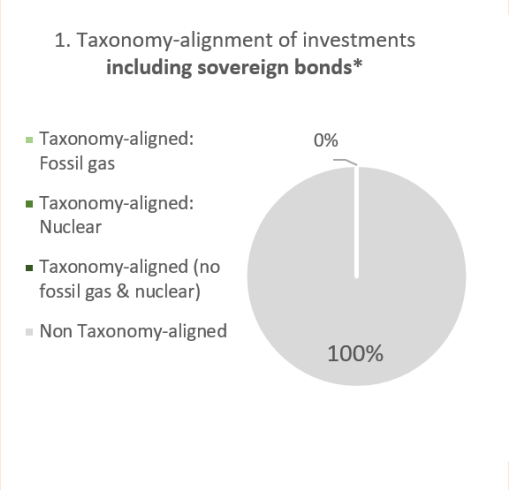
☒ No

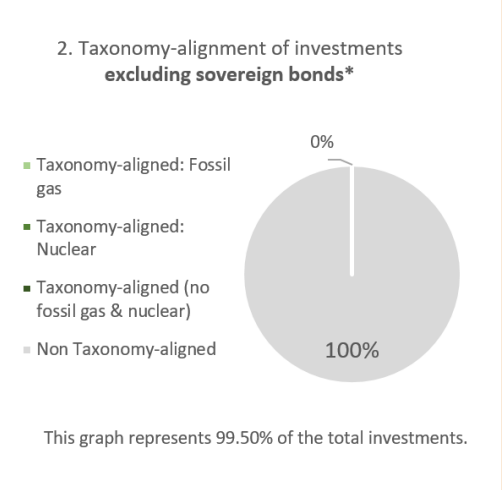
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[5] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER AM EURO EQUITY **Legal entity identifier:** 95980020140005540817

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

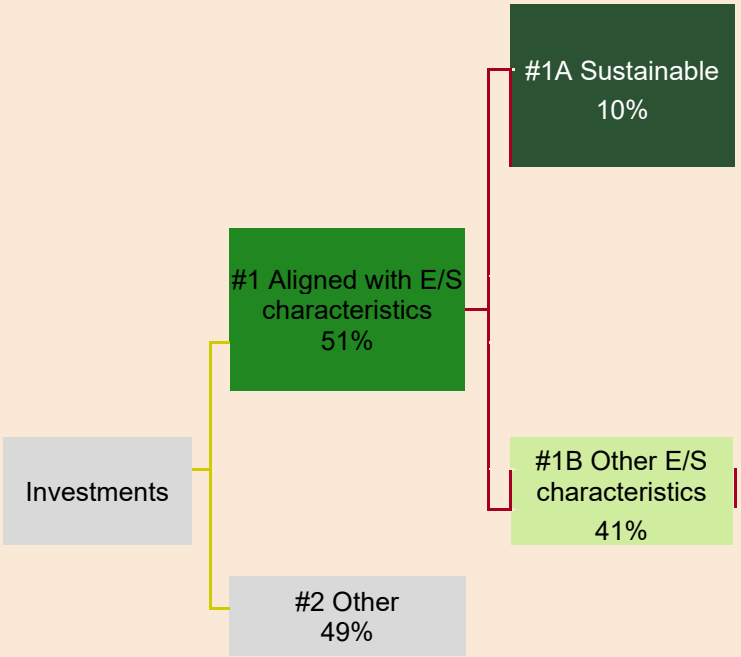
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[6]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

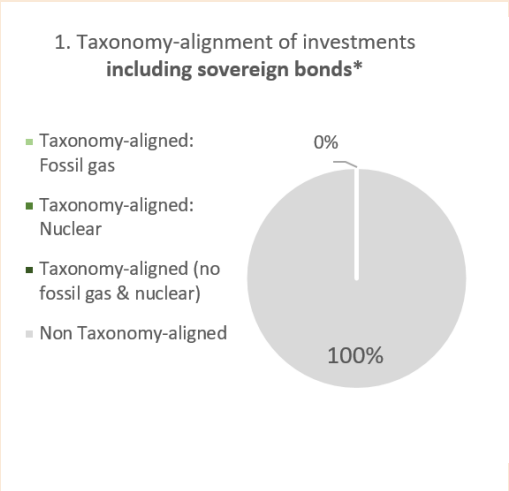
☒ No

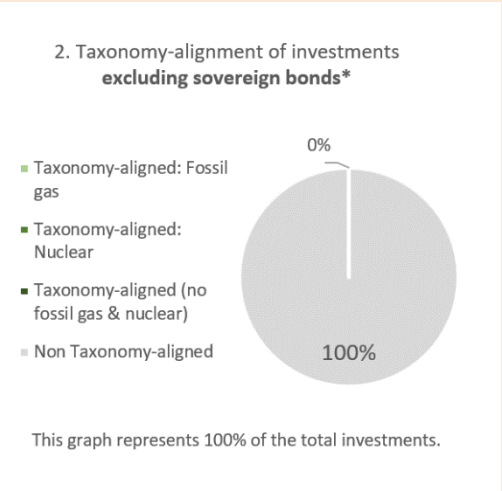
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[6] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Active Portfolio 1 **Legal entity identifier:** 95980020140005540041

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

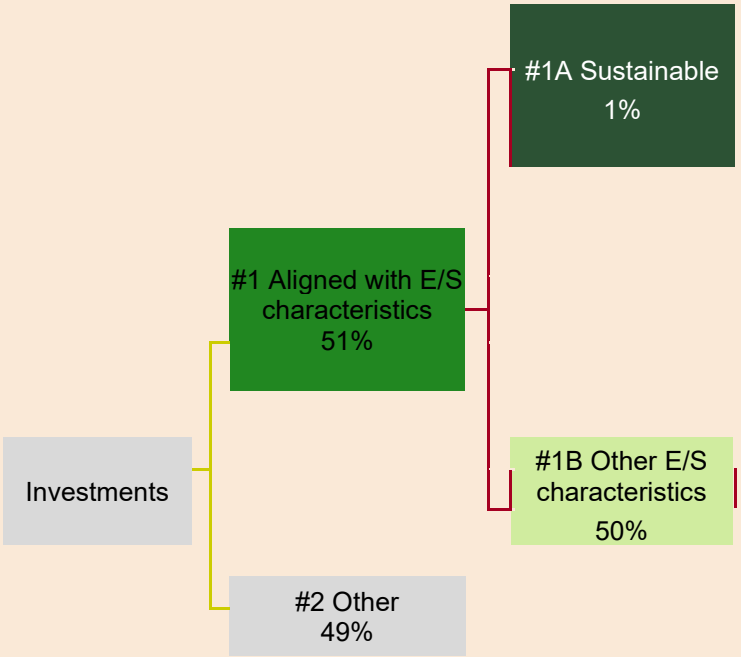
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[7]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

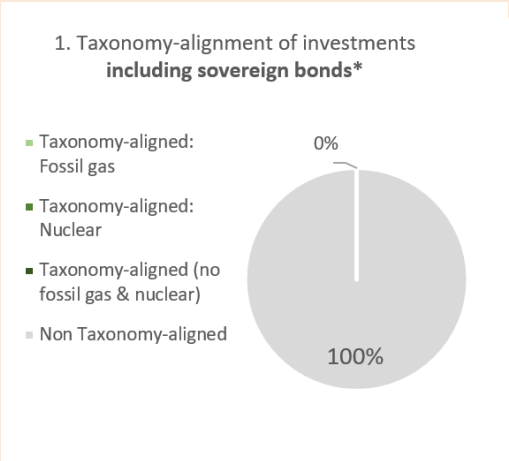
☒ No

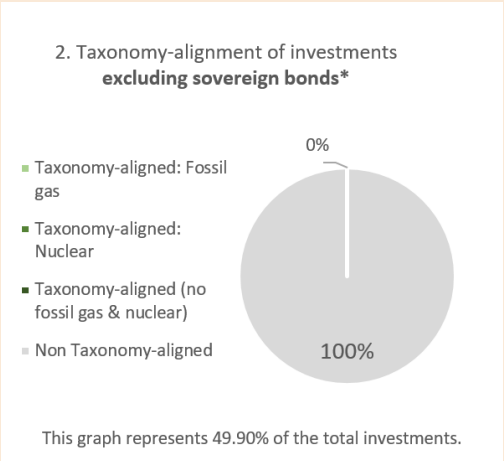
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[7] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Active Portfolio 2 **Legal entity identifier:** 95980020140005539944

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

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The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderasset-management.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

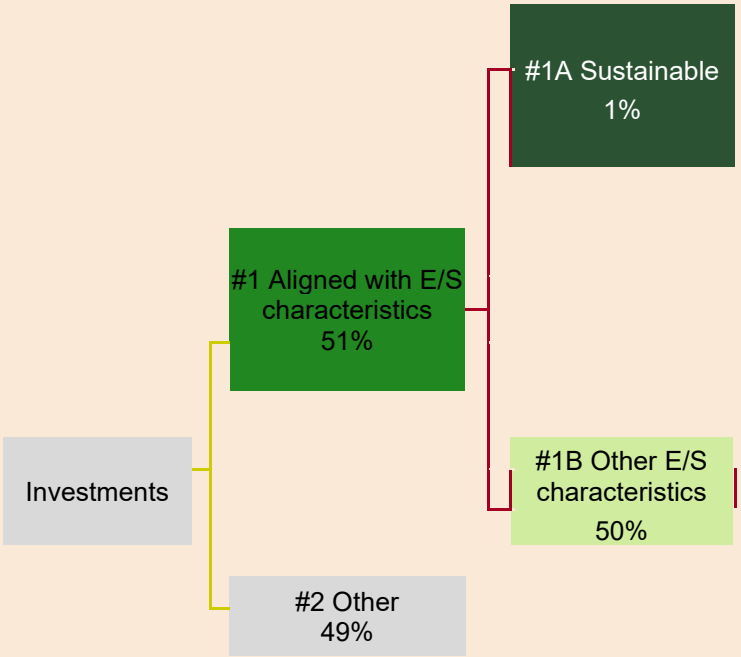
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[8]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

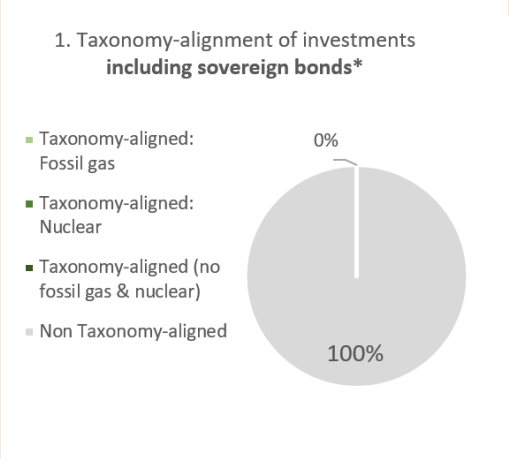
☒ No

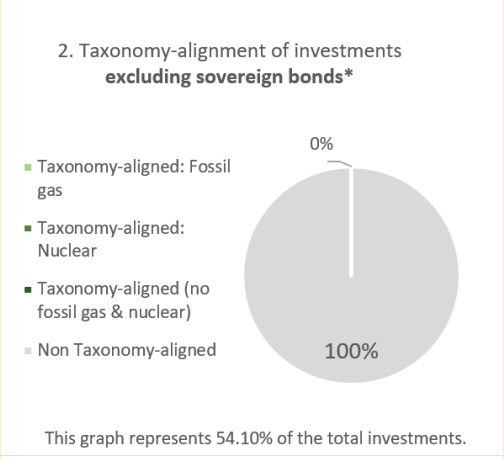
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[8] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER CORPORATE COUPON

Legal entity identifier: 95980020140005539847

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

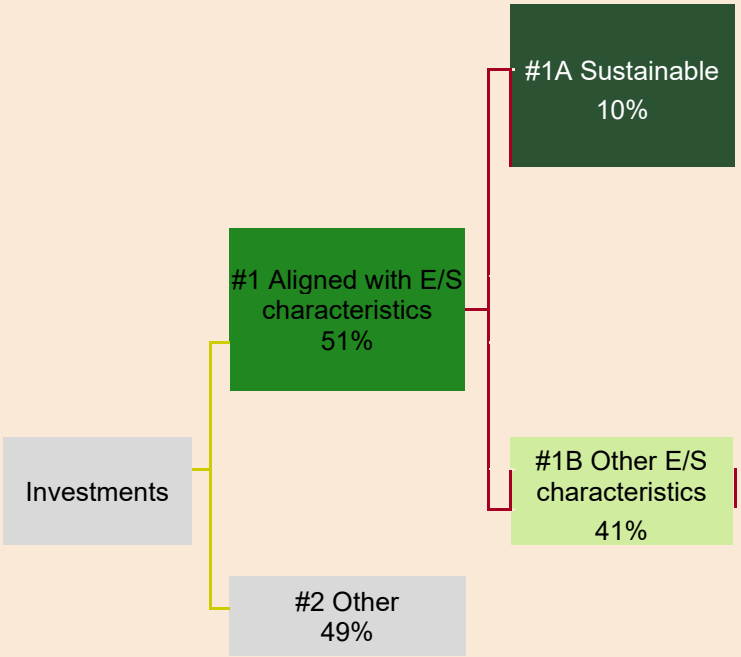
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[9]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

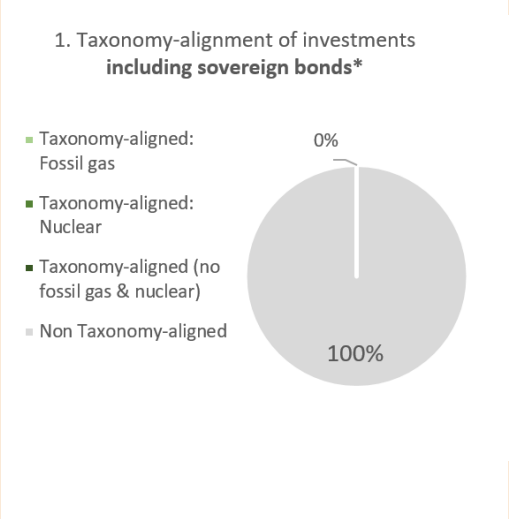
☒ No

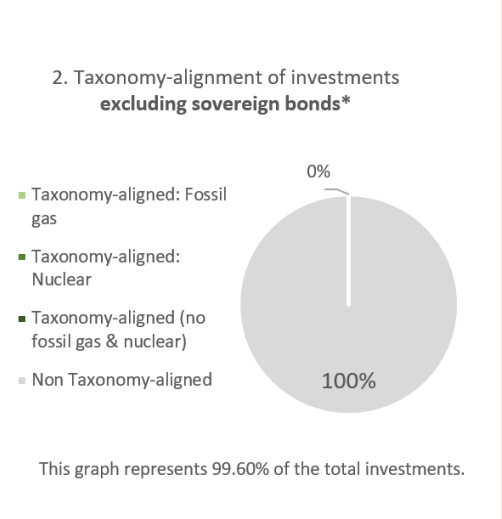
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[9] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER SELECT DEFENSIVE **Legal entity identifier:** 95980020140005538683

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

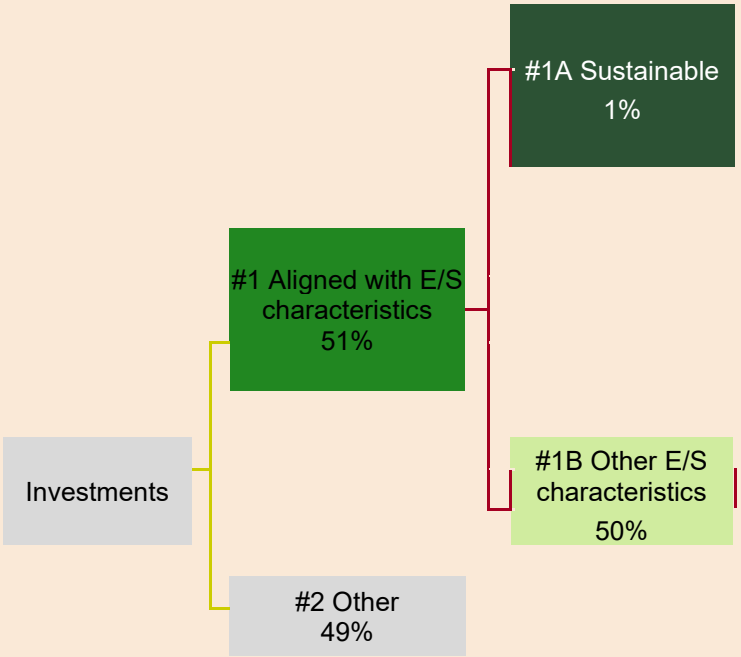
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[10]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

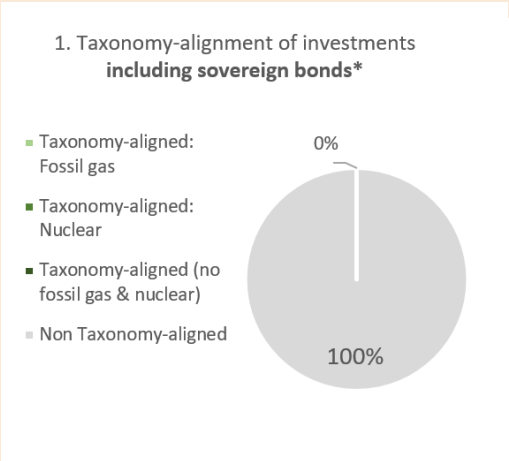
☒ No

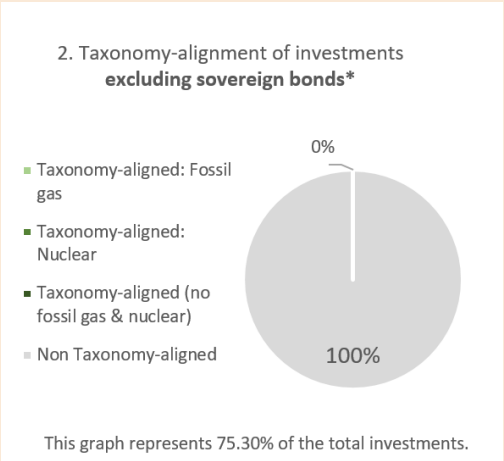
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[10] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER SELECT MODERATE **Legal entity identifier:** 95980020140005538489

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

●● ☐**Yes**	●○ ☒**No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and

political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),

- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

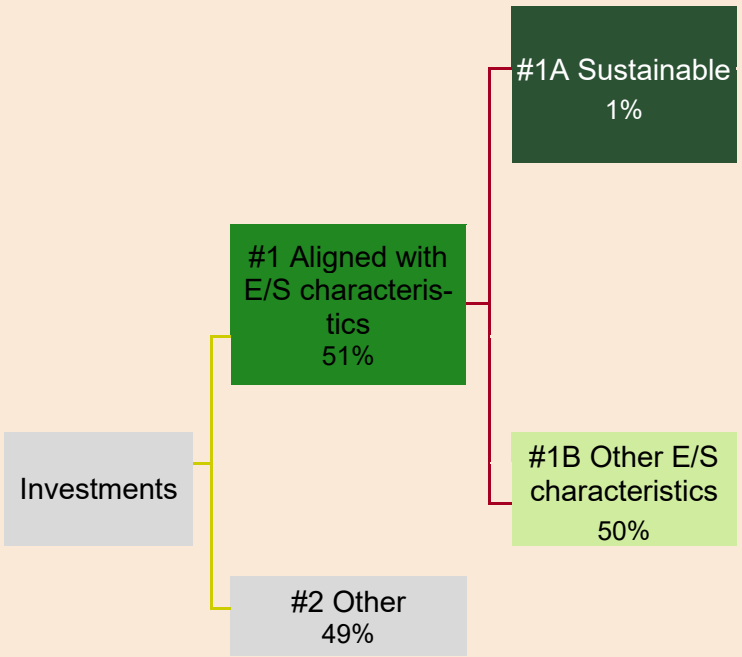
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[11]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

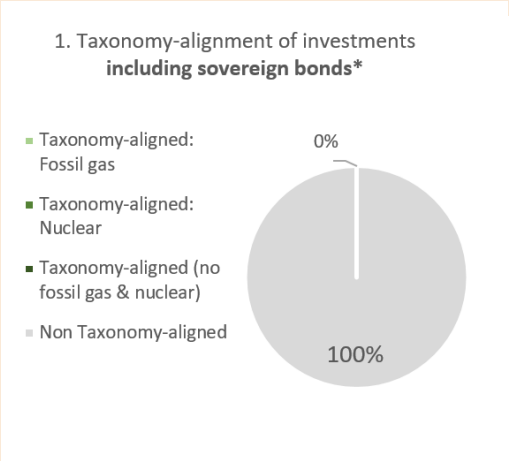
☒ No

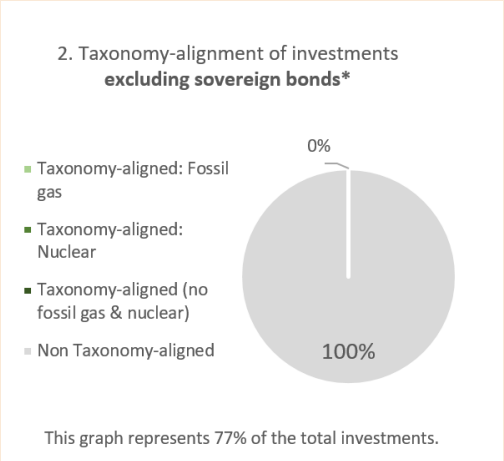
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[11]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER SELECT DYNAMIC **Legal entity identifier:** 95980020140005538586

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.

- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),

- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions

are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will

be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the

action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

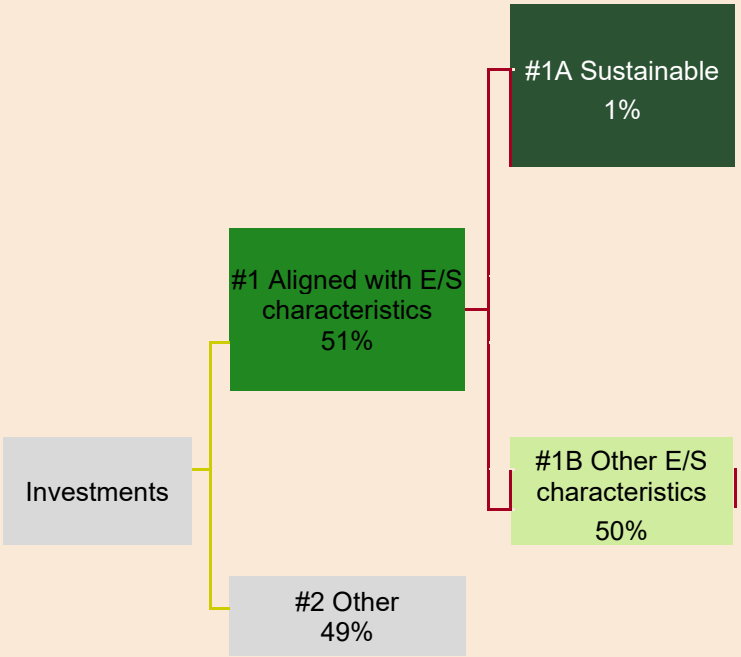
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[12]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

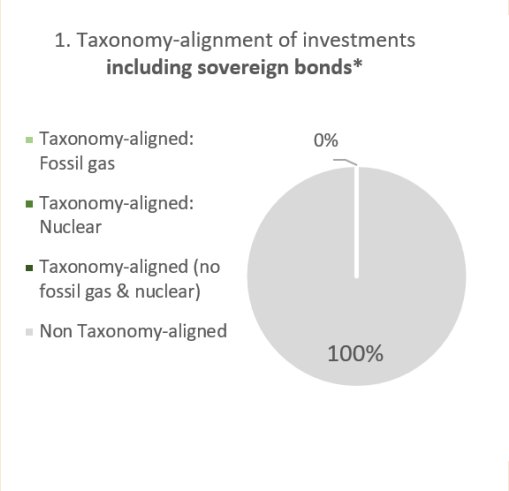
☒ No

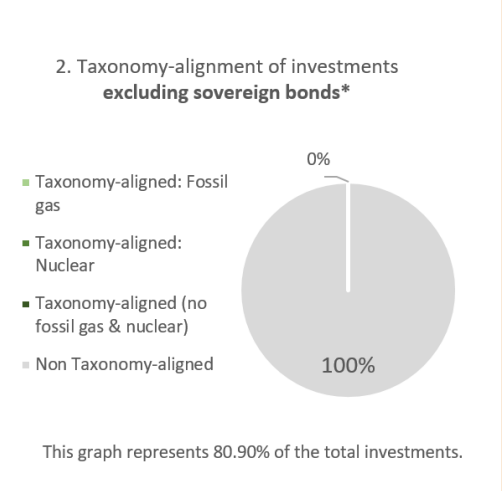
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[12]Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Multi Index Substance **Legal entity identifier:** 959800584EXE1C3KEB87

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒Yes
☐No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

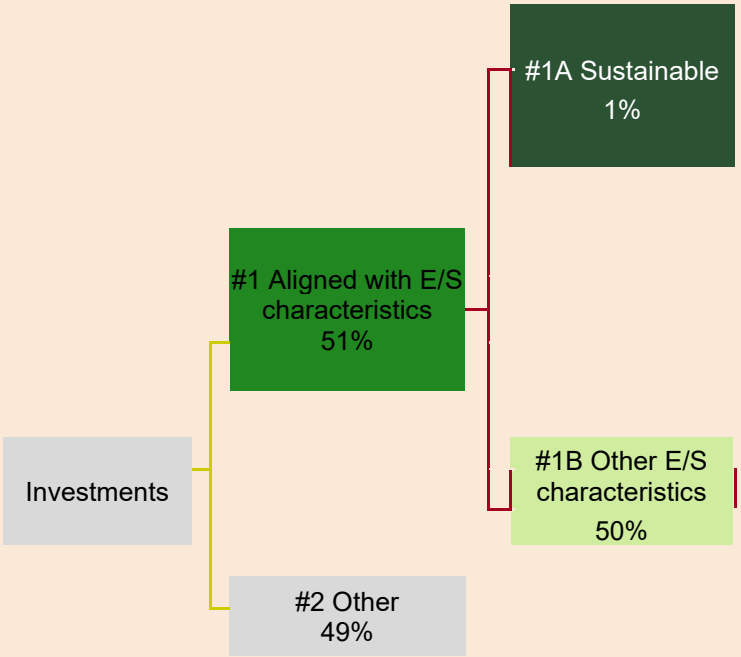
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[13]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

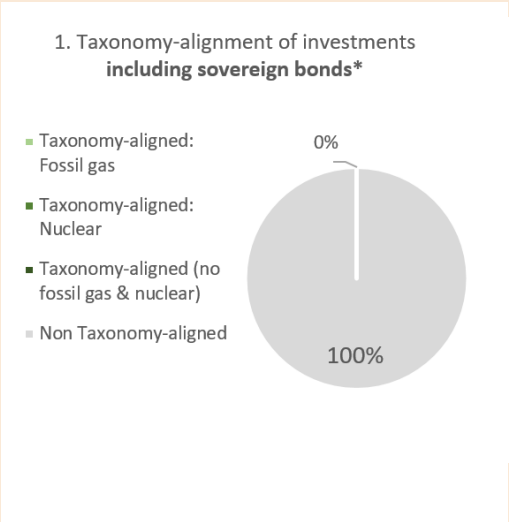
☒ No

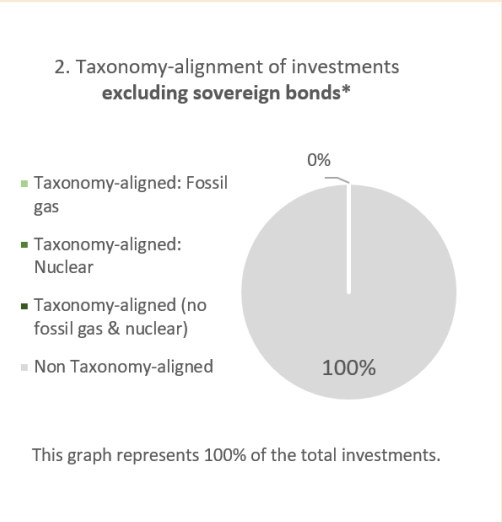
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[13] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Multi Index Balance **Legal entity identifier:** 9598007G946BVLPNB203

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

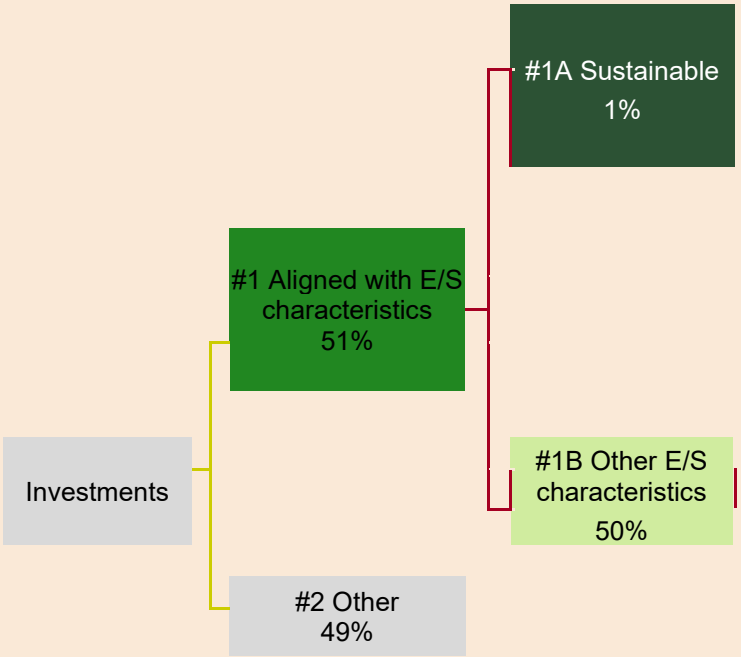
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[14]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

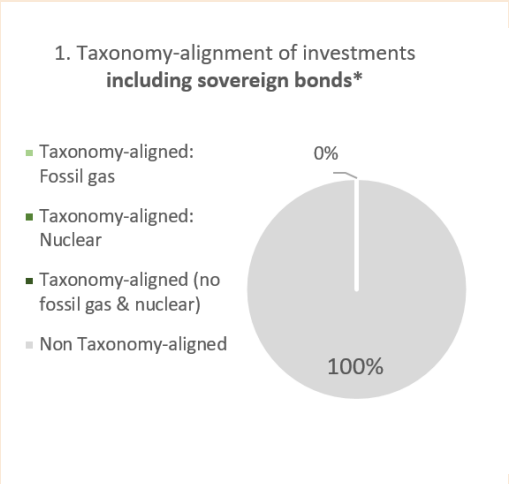
☒ No

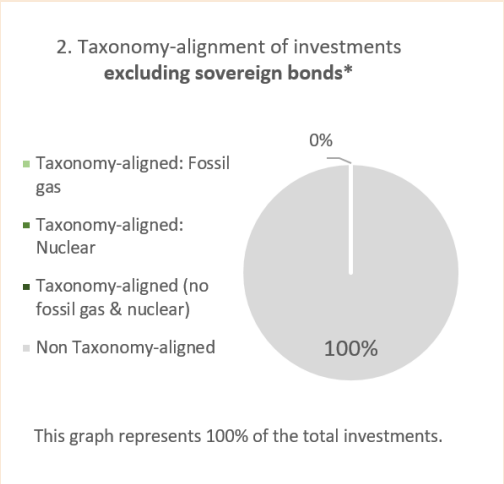
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[14] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Multi Index Ambition **Legal entity identifier:** 9598000XP19CP5PBPX52

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒Yes
☐No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

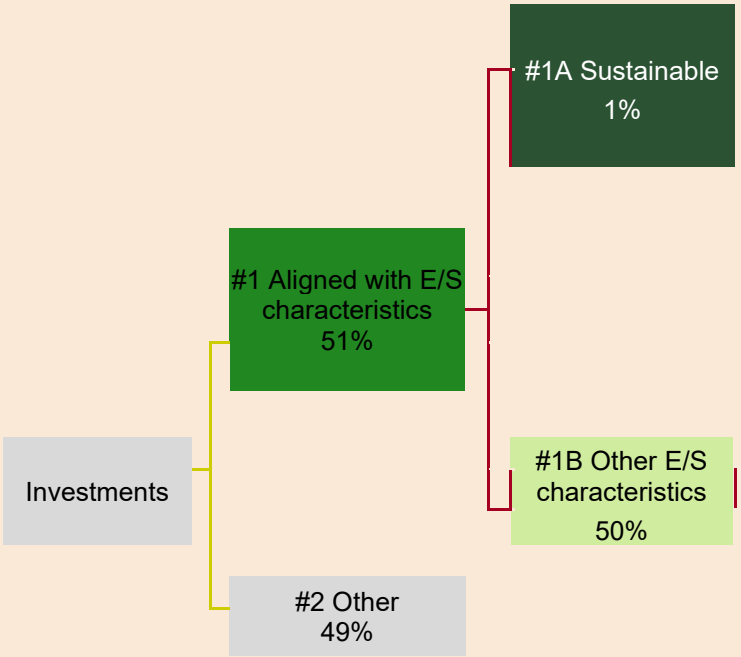
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[15]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

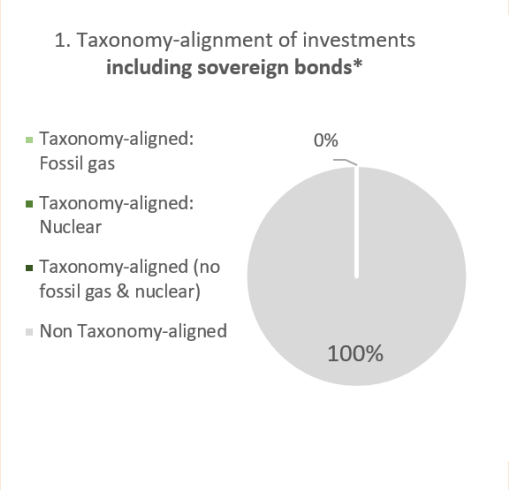
☒ No

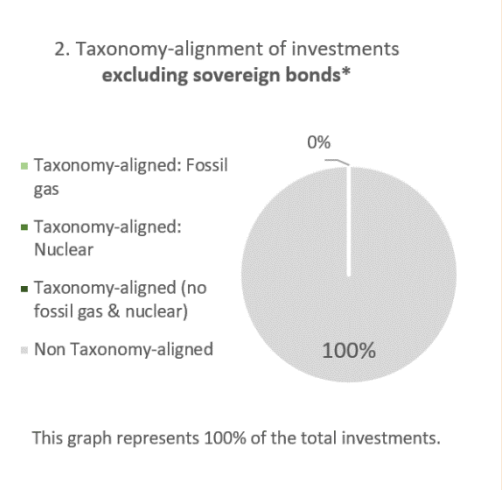
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[15] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Select Income **Legal entity identifier:** 9598006HEB2F274GR185

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.

- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager 's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at http://www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager’s analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), Aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager’s engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies’ business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund’s universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

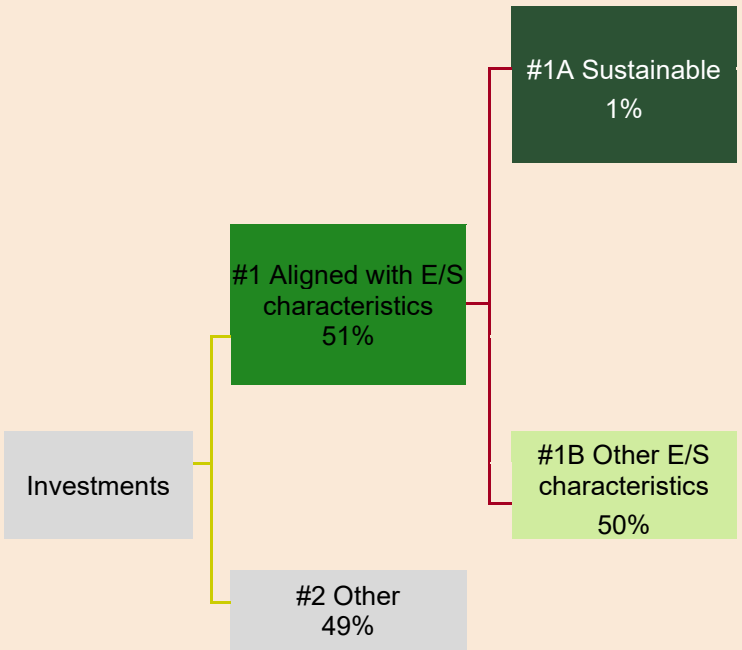
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [16]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

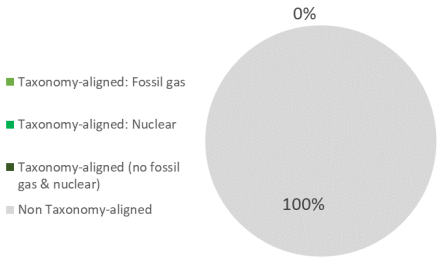
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

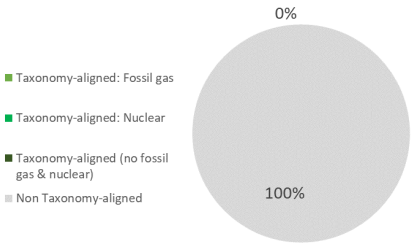
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments ***including sovereign bonds****



2. Taxonomy-alignment of investments ***excluding sovereign bonds****



This graph represents 100% of the total investment

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[16] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER GO GLOBAL EQUITY ESG **Legal entity identifier:** 22210032M38AT2R34U68

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund promotes environmental and/or social characteristics within the meaning of article 8 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR").

The Sub-Fund has the following E/S characteristics:

1. The Sub-Fund promotes certain minimum environmental and social safeguards through applying exclusion criteria with regards to products and business practices that the Investment Manager believes are detrimental to society and incompatible with sustainable investment strategies.

2. The Sub-Fund promotes adherence to and conducting business activities in accordance with the United Nations Universal Declaration of Human Rights, the International Labor Organization's (ILO) labor standards, the United Nations Guiding Principles for Business and Human Rights (UNGPs), the United Nations Global Compact (UNG(} and the OECD Guidelines for Multinational Enterprises, by scrutinizing companies that violate these principles.

3. The Sub-Fund promotes having a substantially lower environmental footprint than the general market index.

4. The Sub-Fund promotes having a weighted average ESG score that is better than that of the general market index.

5. The Sub-Fund limits investing in companies with an elevated sustainability risk based on ESG risk scores whereas all such investments require separate approval of a dedicated committee that oversees that all investments are substantiated and eligible based on a fundamental review on the sustainability risk.

There is no reference benchmark designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Sub-Fund has the following sustainability indicators applied by the Investments Manager, Robeco Institutional Asset Management B.V. ("Robeco"):

1. The % of investments in securities that are on the Investment Manager's Exclusion list as result of the application of Robeco's Exclusion policy.

2. The number of companies that are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.

3. The Sub-Fund's weighted carbon, water and waste footprint score compared to the general market index.

4. The Sub-Fund's weighted average ESG score compared to the general market index.

5. The % of holdings with an elevated sustainability risk profile.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The sustainable investments aim to contribute to the UN Sustainable Development Goals, that have both social and environmental objectives.

The Investment Manager uses its proprietary SDG Framework and related SDG scores to determine which issuers constitute a sustainable investment as referred to in art 2(17) SFDR. Positive SDG scores (+1, +2, +3) are regarded as sustainable investments.

The sustainable investments do no significant harm to any environmental or social sustainable investment objective by considering a principal adverse impact and aligning with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In addition, sustainable investments score positively on Robeco's SDG Framework, and therefore do not cause significant harm.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments do no significant harm to any environmental or social sustainable investment objective by considering a principal adverse impact and aligning with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In addition, sustainable investments score positively on the Investment Manager's SDG Framework, and therefore do not cause significant harm

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

A detailed description of the incorporation of principal adverse impacts is available via Investment Manager's Principal Adverse Impact Statement published on the Investment Manager website. In this statement, Investment Manager sets out its approach to identifying and prioritizing principal adverse impact, and how principal adverse impacts are considered as part of Investment Manager's investment due diligence process and procedures relating to research and analysis, exclusions and restrictions and/or voting and engagement. For sustainable investments, the PAI indicators have been taken into account by ensuring that the investments do no significant harm to any environmental or social objective. For this purpose, many PAI indicators are either directly or indirectly included in Investment Manager's SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both the Investment Manager's Exclusion Policy and the Investment Manager's SDG Framework.

The Investment Manager's Exclusion Policy includes an explanation of how the Investment Manager acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behavior of companies. The Investment Manager continuously screens its investments for breaches of these principles. In case of a breach, the company will be excluded or engaged with, and is not considered a sustainable investment.

The Investment Manager's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, the Investment Manager checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Sub-Fund considers principal adverse impacts on sustainability factors as referred to in Annex I of the SFDR Delegated Act.

Pre-investment, the following principal adverse impacts on sustainability factors are considered:

- Via the applied normative and activity-based exclusions, the following PAIs are considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1)
  - Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
  - Activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1). The consideration of this PAI is currently restricted to applying exclusions to palm oil producing companies and for any breaches to the UNGC, UNGP and OECD Guidelines for Multinational Enterprises in relation to biodiversity.
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1)
- Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs are considered:
  - All indicators related to GHG emissions, as part of the required Climate Risk analysis (PAI 1-6, Table 1, PAI 4, Table 2)
  - Biodiversity, water and waste indicators (PAI 7-9, Table 1) when relevant for the sector
  - Board gender diversity (PAI 13, Table 1)
- Via the environmental footprint performance targets of the Sub-Fund, the following PAIs are considered:
  - Carbon footprint (PAI 2, Table 1)
  - Water and waste indicators (PAI 7-9, Table 1). Robeco will use on water and waste footprint until data quality and coverage of the PAIs will improve.

Post-investment, the following principal adverse impacts on sustainability factors are taken into account:

- Via the Investment Manager's entity engagement program, the following PAIs are considered:
  - All indicators related to Climate and other environment-related indicators (PAI 1-9, Table 1)
  - Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
  - In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of the Sub-Fund that cause adverse impact might be selected for engagement.

The Investment Manager considers the principal adverse impacts of investment decisions on sustainability factors in accordance with its own methodology and indicators. Further details can be found in the Investment Manager's Statement on the principal adverse impacts of investment decisions on sustainability factors, published on the Investment Manager's website and in the corresponding Statement of the Management Company which is available on www.santanderassetmanagement.lu.

Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment

The Sub-Fund aims to select stocks with relatively low environmental footprints compared to stocks with high environmental footprints.

objectives and risk tolerance.

In addition to ESG integration, other sustainability criteria in relation to the Sub-Fund, such as exclusions, negative screening (exclusion of thermal coal, weapons, military contracting and companies that severely violate labour conditions) and active ownership (voting and engagement), are taken into account in the management of the Sub-Fund.

In order to mitigate sustainability risks, the Sub-Fund takes the following actions:

- the Sub-Fund applies carbon footprint reduction that is minimum 20% better than the Benchmark
- the Sub-Fund applies strict fossil fuel exclusions and engages with high carbon emitters on climate strategy
- the Sub-Fund applies ESG integration by making sure the ESG score is better than the Benchmark and
- the water and waste footprint score is at least 20% better than the Benchmark

exclusions based on UN Global Compact and OECD screening on environmental, social and governance issues and engagement with companies on material environmental, social and governance issues.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the criteria described in the investment strategy.

1. The Sub-Fund's portfolio complies with Robeco's Exclusion Policy (https://www.robeco.com/docm/docu-exclusion-policy.pdf), that is based on exclusion criteria with regards to products (including controversial weapons, military contracting, firearms, tobacco, palm oil, thermal coal, oil sands, arctic drilling and coal power expansion plans) and business practices that Robeco believes are detrimental to society and incompatible with sustainable investment strategies. This means that the Sub-Fund has 0% exposure to excluded securities, taking into account a grace period. Information with regards to the impact of the exclusions on the Strategy's universe can be found at https://www.robeco.com/docm/docu-exclusion-policy.pdf.

2. The Sub-Fund's weighted carbon, water and waste footprint score is 20% better than that of the market index.

3. The Sub-Fund's weighted average ESG score is 10% better than that of the market index.

Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The Sub-Fund is limited to a maximum exposure of 2% to investments with an elevated sustainability risk, based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis. The minimum percentage of sustainable investment of this Sub-Fund is 10%. The minimum share of sustainable investments with a social objective is 10%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

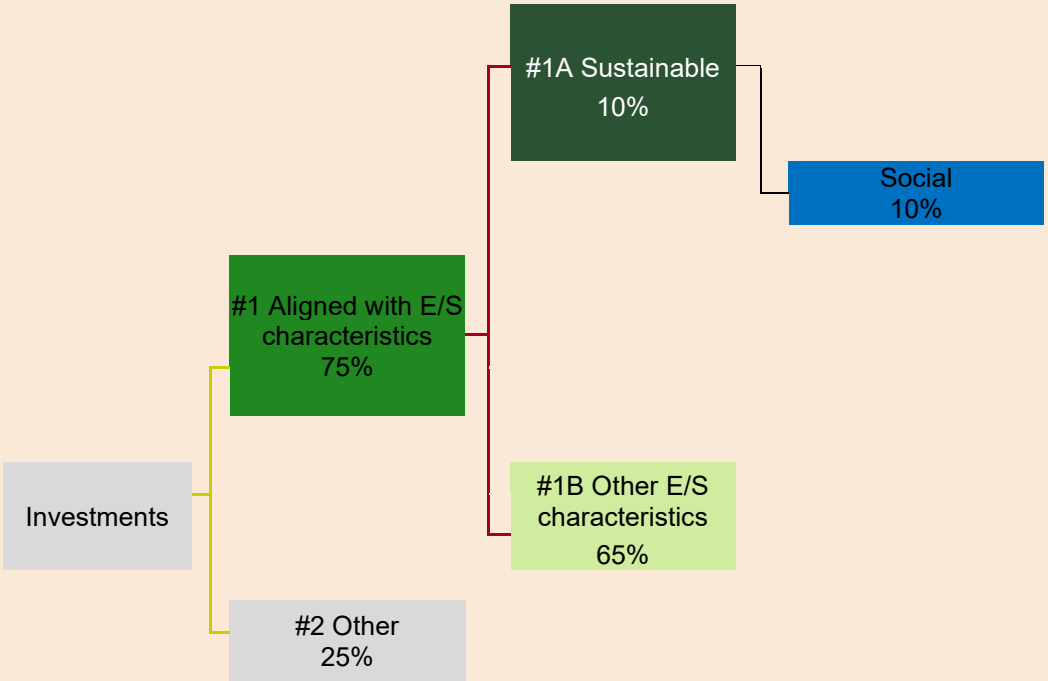
What is the policy to assess good governance practices of the investee companies?

The Investment Manager has a Good Governance policy to assess governance practices of companies. The policy describes how the Investment Manager determines if and when a company does not follow good governance practices and is therefore excluded from the initial investment universe for Article 8 and 9 products. The Investment Manager's Good Governance policy applies to the Sub-Fund and tests on a set of governance criteria that reflect widely recognized industry- established norms and include topics as employee relations, management structure, tax compliance and remuneration.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

At least 75% of the investments are aligned with the E/S characteristics of the Sub-Fund. The Sub-Fund plans to make a minimum of 10% sustainable investments, measured by positive scores via Robeco's SDG Framework. The investments in the category Other are mostly in cash and cash equivalents. The planned asset allocation is monitored continuously, and evaluated on a yearly basis. The minimum share of sustainable investments with a social objective is 10%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Sub-Fund does not make use of derivatives to attain the environmental or social characteristics promoted by the Sub-Fund. The Sub-Fund may make use of derivatives for both

hedging, liquidity and efficient portfolio management as well as investment purposes. Exchange traded and over-the-counter derivatives are permitted, including but not limited to futures, swaps, options and currency forwards. Whilst the Sub-Fund may use derivatives both for investment purposes as well as for hedging and efficient portfolio management, it does not utilize derivatives for such purposes outside the intended share of investments allocated to the 'Other' category.

In case the Sub-Fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, minimum environmental or social safeguards are taken into account.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

To what minimum extent are sustainable investments with an environmental objecti aligned with the EU Taxonomy[15]?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

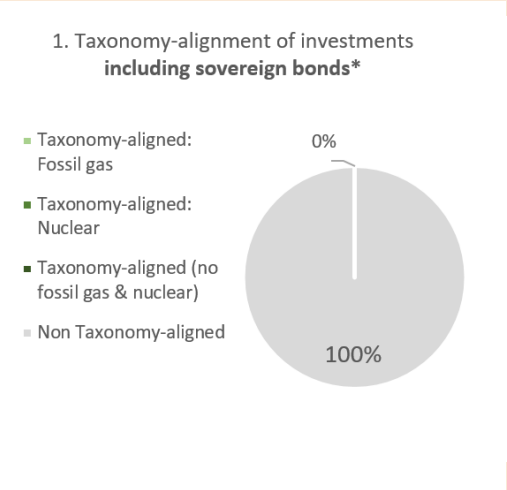
Does the financial product invest in fossil gas and/or nuclear energy related activit that comply with the EU Taxonomy[17]?

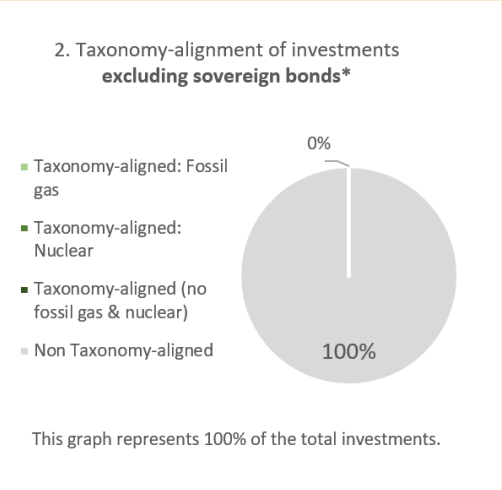
☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[13] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on environmentally sustainable investments.

The Sub-Fund intends to make sustainable investments, measured as positive scores via Investment Manager's SDG Framework. Among those could be investments with social objectives. The social objectives of the Sub-Fund are attained by investing in companies that score positively on SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 3 (Good health and well-being), SDG 4 (Quality education), SDG 5 (Gender equality), SDG 6 (Clear water and sanitation), SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 9 (Industry, innovation and infrastructure), SDG 10 (Reduced inequalities), SDG 11 (Sustainable cities and communities), SDG 16 (Peace, justice and strong institutions) and SDG 17 (Partnerships for the goals), in Robeco's SDG Framework.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund shall invest at least 10% in sustainable investments with a social objective.

The Sub-Fund intends to make sustainable investments, measured as positive scores via Investment Manager's SDG Framework. Among those could be investments with social objectives. The social objectives of the Sub-Fund are attained by investing in companies that score positively on SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 3 (Good health and well-being), SDG 4 (Quality education), SDG 5 (Gender equality), SDG 6 (Clear water and sanitation), SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 9 (Industry, innovation and infrastructure), SDG 10 (Reduced inequalities), SDG 11 (Sustainable cities and communities), SDG 16 (Peace, justice and strong institutions) and SDG 17 (Partnerships for the goals), in Robeco's SDG Framework. While the sum of socially sustainable investments and sustainable investments with an environmental objective always adds up to the Sub-Fund's minimum proportion of 10% sustainable investments, we do not commit to a minimum share of socially sustainable investments because the Sub-Fund's investment strategy does not have a specific socially sustainable investment objective. Therefore, the minimum share of socially sustainable investments is 10%.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

The type of instruments included under "#2 Other" and their purpose are amongst others, the use of cash, cash equivalents and derivatives. The Sub-Fund may make use of derivatives for hedging, liquidity and efficient portfolio management as well as investment purposes (in line with the investment policy). Where relevant, minimum environmental or social safeguards apply to the underlying securities.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Covered Bond **Legal entity identifier:** 222100NS1KCA541WRY46

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be

at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

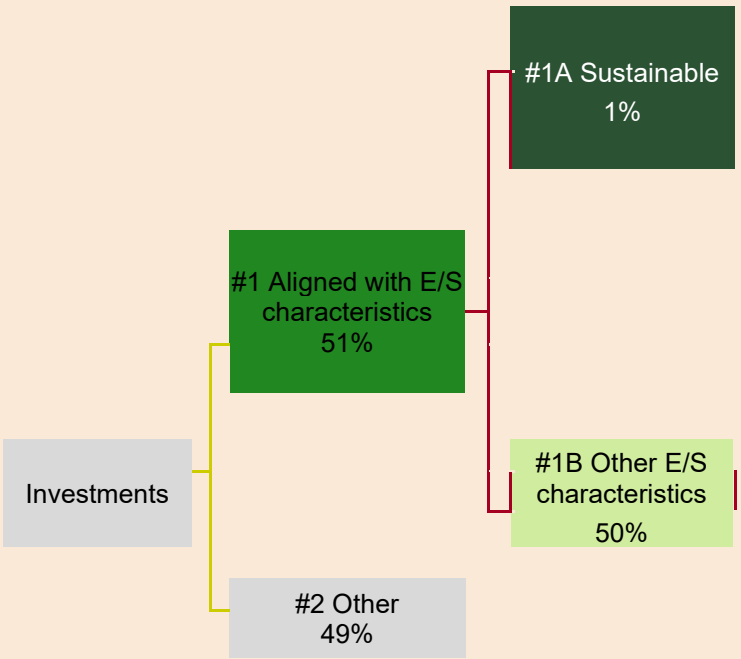
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[18]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

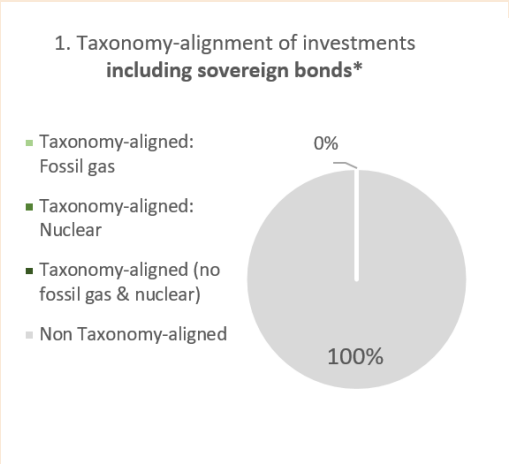
☒ No

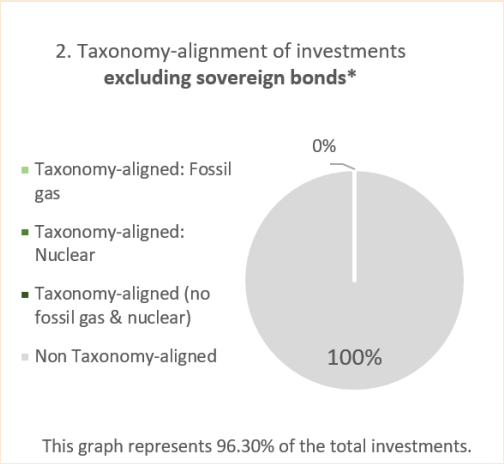
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[18] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER LATIN AMERICAN INVESTMENT GRADE ESG BOND

Legal entity identifier: 2221005XUWXMGGGB3M32

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**

☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%

☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 5% of sustainable investments

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU

☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ with a social objective

☐ It will make a minimum of **sustainable investments with a social objective:** ___%

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment based on data provided by external providers, incorporating them into its own evaluation methodology, designed internally by the Santander Asset Management SRI team and based on market references and the main international reference frameworks and standards.

Examples of indicators that are used:

- Percentage of portfolio assets aligned with the social and environmental characteristics of the Sub-Fund, which must be at least 75%.
- Average ESG rating of the portfolio: must be better than the benchmark.
- Exclusions: Indicators of exposure of companies' business to activities not permitted by the Sub-fund's policy.
- Controversy indicator: Those companies that are involved in controversies considered critical are excluded from the universe of investments.

In addition, for public fixed income, the Investment Manager excludes those with low performance in terms of political rights and social freedoms, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and

political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Additionally, in certain cases, this quantitative analysis is complemented with a qualitative analysis based on the public information of the companies and the information provided by the company in the course of its engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters,

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.

respect for human rights, anti-corruption and anti- bribery matters.

- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

If an investment fails to comply with any of these safeguards, the Investment Manager considers that it is not possible to guarantee that there is no significant harm and is not considered a sustainable investment.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.
In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.
The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.
In this regard, the Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and SAM's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.
Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.
The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at https://www.santanderassetmanagement.lu.

It also maintains specific due diligence policies regarding these impacts in accordance with its investment policy. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all indicators in table 1 and a selection of optional indicators in tables 2 and 3 (Annex I SFDR). To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

For this Sub-fund, the mitigation of these adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as evaluating and following up on possible controversies of the companies analyzed that may derive in significant impacts due to non-compliance with internationally recognized regulations or standards. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts.

The monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, with the objective of the Sub-Fund's ESG rating is better than the benchmark.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy guides investment decisions based on factors such as investment

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.

objectives and risk tolerance.

- Valuation criteria: The average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), must be better than the benchmark.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 5% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The Investment Manager has its own ESG analysis methodology through which a series of quantitative and qualitative metrics are identified and selected to measure the performance of the companies in the management of each ESG factor, including metrics to measure the existence of policies and commitments of the companies. This methodology includes governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided.

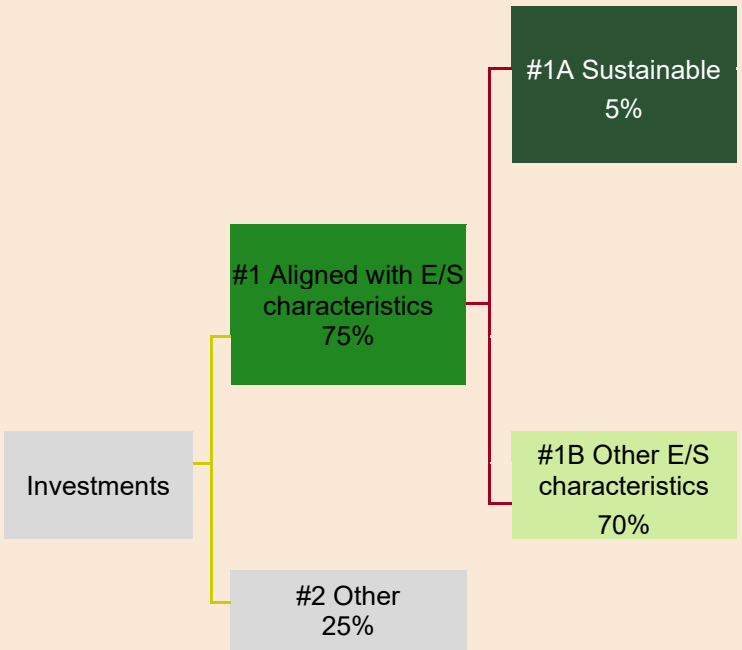
Good governance practices are also assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

Companies involved in controversies considered critical, are excluded from the Sub-Fund’s investment universe.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

To determine the values to invest, the mandate of the Sub-Fund described previously in this document will be taken into account. To this end, these criteria are taken into account in the decision-making process on the Sub-Fund's investments.

These procedures apply, as described above, to investments in cash direct investment assets and Investment Funds in the Sub-Fund's portfolio, representing at least 75% of the fund's assets. As for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the fund, they may not exceed 25% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Fund is 5% on an aggregated basis.

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of the principal adverse impacts.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [19]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

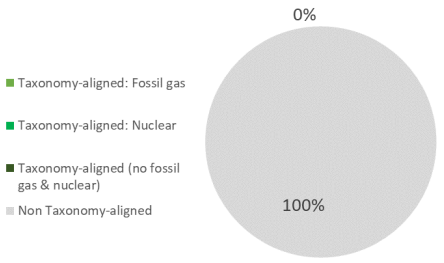
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

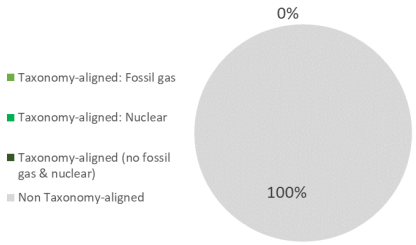
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments ***including sovereign bonds****



2. Taxonomy-alignment of investments ***excluding sovereign bonds****



This graph represents 100% of the total investment

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[19] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

best performance.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or objectives to a minimum of 5%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or objectives to a minimum of 5%.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments included under "other", will not alter the achievement of the environmental or social characteristics promoted by the Sub-fund.

The Investment Manager seeks investments that integrate sustainability risks so as not to affect the environmental & social characteristics of the Sub-Fund and establishing minimum environmental or social safeguards, such as the consideration of the main principal adverse impacts.

They may not exceed 25% of the Sub-Fund’s, and may be invested only in the following assets, within those permitted by the Sub-Fund’s investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Future Wealth **Legal entity identifier:** 222100U8QAL5OT5ATQ18

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into

account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒Yes
☐No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager’s analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager’s engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies’ business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund’s universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in

order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

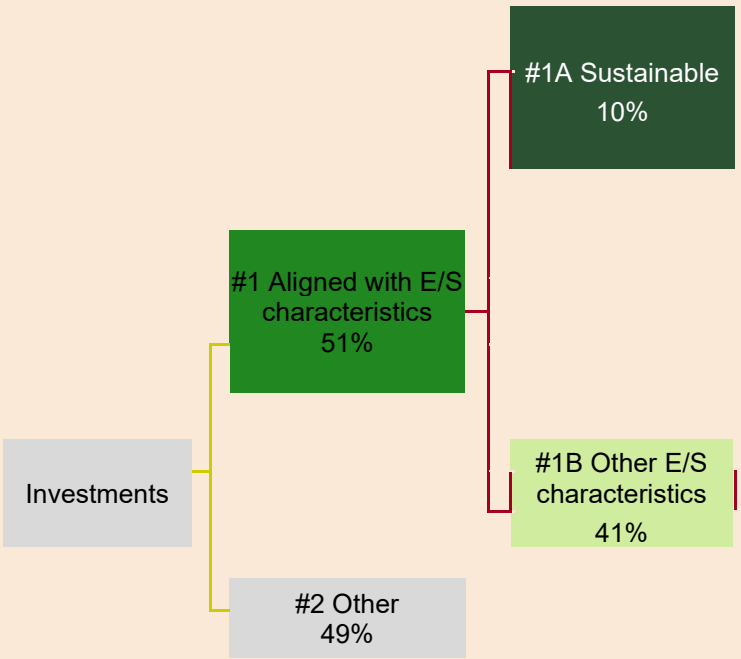
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[20]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

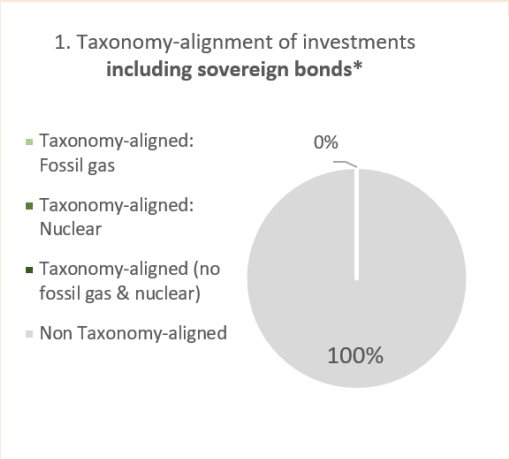
☒ No

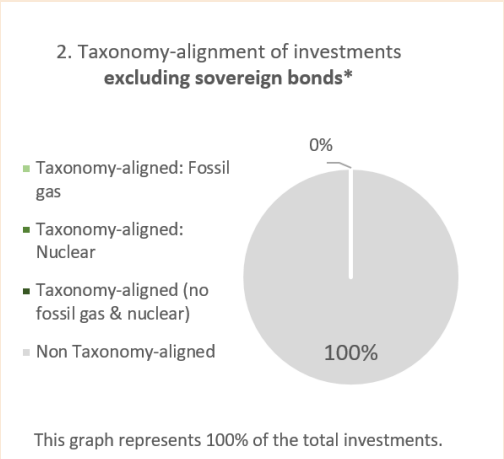
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

[20] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: SANTANDER PROSPERITY

Legal entity identifier: 213800WJFHHC61MCKV72

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**

☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ It will make a minimum of **sustainable investments with a social objective:** 70%

☐ **No**

☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investment

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ with a social objective

☐ It promotes E/S characteristics, but **will not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What is the sustainable investment objective of this financial product?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Sub-Fund has a sustainable social objective to improve the wellbeing of society, by investing in companies that sell products and services related to mainly social issues in alignment with SDGs, with a particular focus on No Poverty, Good Health and Well-Being, Quality Education, Gender Equality, Decent work and Economic Growth and Reduced Inequalities that are related to three main social themes: 1) Health and Wellbeing, 2) Education and Financial Inclusion and, 3) Food and Nutrition.

The Sub-Fund's portfolio contributes to SDGs, with a particular focus on No Poverty, Good Health and Well-Being, Quality Education, Gender Equality, Decent work and Economic Growth and Reduced Inequalities, as it has a minimum proportion of sustainable investments in companies that comply with the following criteria:

- Exclusion of activities that have significant adverse impacts on sustainability factors and which are therefore not aligned with the Sub-Fund's sustainable investment objective.
- Companies involved in controversies considered critical, are excluded from the Sub-Fund's investment universe.
- For a company to be eligible, it must have at least 30% of its revenues related to the SDGs,

though can also include other companies that, according to the Investment Manager's assessment, provide a relevant contribution to solve the main social challenges, that could be reinforced by the Investment Manager's engagement with the relevant companies.

No reference benchmark was designated for the purpose of attaining the sustainable investment objective.

The Sub-Fund has a sustainable social objective to improve the wellbeing of society, by investing in companies that sell products and services related to mainly social issues in alignment with SDGs, with a particular focus on No Poverty, Good Health and Well-Being, Quality Education, Gender Equality, Decent work and Economic Growth and Reduced Inequalities that are related to three main social themes: 1) Health and Wellbeing, 2) Education and Financial Inclusion and, 3) Food and Nutrition.

The Sub-Fund's portfolio contributes to SDGs, with a particular focus on No Poverty, Good Health and Well-Being, Quality Education, Gender Equality, Decent work and Economic Growth and Reduced Inequalities, as it has a minimum proportion of sustainable investments in companies that comply with the following criteria:

- Exclusion of activities that have significant adverse impacts on sustainability factors and which are therefore not aligned with the Sub-Fund's sustainable investment objective.
- Companies involved in controversies considered critical, are excluded from the Sub-Fund's investment universe.
- For a company to be eligible, it must have at least 30% of its revenues related to the SDGs, though can also include other companies that, according to the Investment Manager's assessment, provide a relevant contribution to solve the main social challenges, that could be reinforced by the Investment Manager's engagement with the relevant companies.

No reference benchmark was designated for the purpose of attaining the sustainable investment objective.

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- For a company to be eligible, it must have at least 30% of its revenues related to the SDGs, though can also include other companies that, according to the Investment Manager's assessment, provide a relevant contribution to solve the main social challenges, that could be reinforced by the Investment Manager's engagement with the relevant companies.

No reference benchmark was designated for the purpose of attaining the sustainable investment objective.

No benchmarks have been identified to meet the sustainable investment objective.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

Examples of indicators that are used:

- Exclusions: Indicators of exposure of companies' business to activities not permitted by the Sub-Fund's policy.
- Controversy indicator: Those companies that are involved in controversies considered critical are excluded from the universe of investments.
- Companies' metrics related to SDGs. Companies in the investment universe have a link, through company specific metrics, to underlying indicators of the relevant SDG targets. These metrics are used to measure the attainment of the sustainable objectives. For a company to be eligible, it must have at least 30% of its revenues related to the SDGs, though can also include other companies that, according to the Investment Manager's assessment, provide a relevant contribution to solve the main social challenges, that could be reinforced by the Investment Manager's engagement with the relevant companies.

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

If an investment fails to comply with any of these safeguards, the Investment Manager considers that it is not possible to guarantee that there is no significant harm and is not considered a sustainable investment.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PASI indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Respect for good business practices and human rights is an integral part of the Investment Manager's values and a minimum performance standard to carry out its activities in a legitimate manner.

In this sense, the Investment Manager's actions are based on the principles set in the OECD Guidelines for Multinational Companies and the ten principles of the United Nations Global Compact, among others. This commitment is reflected both in Grupo Santander's corporate policies and in those of the Investment Manager's and are part of its sustainability risk integration procedure.

Finally, the Sub-Fund's investments are periodically monitored in accordance with any of these international guidelines, through an analysis of controversies. Companies involved

in controversies considered critical, are excluded from the Sub-Fund's investment universe.

Does this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

☒ Yes

☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderassetmanagement.lu.

It also maintains specific due diligence policies regarding these impacts in accordance with its investment policy.

The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To do this, it monitors a series of environmental and social indicators (KPIs) that, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects of the investments.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of these adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as evaluating and following up on possible controversies of the companies analyzed that may derive in significant impacts due to non-compliance with internationally recognized regulations or standards.

In addition, the monitoring activities carried out in the ESG area are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The selection of the companies is made from the eligible universe to which an avoid harm screen and a positive screen are applied as described below.

An exclusion screening is applied pre-investment to avoid investing in companies whose activities have significant adverse impacts on sustainability factors and which are therefore not aligned with the Sub-Fund's sustainable investment objective, or that clearly violate recognized international norms and standards. Companies excluded include those who have any business activities (measured in terms of turnover) related to controversial weapons, armament, tobacco, coal mining, coal-based power generation and fossil fuels. Additionally, there is an analysis of controversies leveraging external data provider research that allows to identify the violation of certain ESG values, such as those promoted by the UN Global Compact. Companies involved in controversies considered critical, are excluded from the Sub-Fund's investment universe.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Once companies with significant adverse impacts have been removed from the investment universe of the Sub-Fund, a positive screening ensures the selection of companies whose business intend to generate positive social outcomes and contribute to the achievement of SDGs, with a particular focus on No Poverty, Good Health and Well-Being, Quality Education, Gender Equality, Decent work and Economic Growth and Reduced Inequalities that are related to three main social themes: 1)Health and Wellbeing, 2)Education and Financial Inclusion and, 3)Food and Nutrition.

Companies in the investment universe have a link, through company specific metrics, to underlying indicators of the relevant SDG targets.

These metrics are used to measure the attainment of the sustainable objectives.

For a company to be eligible, it must have at least 30% of its revenues related to the SDGs, though can also include other companies that, according to the Investment Manager's assessment, provide a relevant contribution to solve the main social challenges, that could be reinforced by the Investment Manager's engagement with the relevant companies.

After completing the above exclusions and positive screenings, the Sub-Fund's portfolio construction methodology includes fundamental and quantitative factors in its process. That will allow the Investment Manager to build a portfolio assigning different weightings to the different names to maximize the risk/reward characteristics of the Sub-Fund's overall portfolio.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

  The binding elements used in the selection of investments are the exclusions and positive screen criteria described in the investment strategy.

  - Exclusions:
    - • Companies who have any business activities (measured in terms of turnover) related to controversial weapons, armament, tobacco, coal mining, coal-based power generation and fossil fuels.
    - Companies involved in controversies considered critical, are excluded from the Sub-Fund's investment universe.
  - Positive screen: For a company to be eligible, it must have at least 30% of its revenues related to the SDGs, though can also include other companies that, according to the Investment Manager's assessment, provide a relevant contribution to solve the main social challenges, that could be reinforced by the Investment Manager's engagement with the relevant companies.

  As a result of these binding elements the minimum percentage of sustainable investments of the Sub-Fund is 70%.

- ***What is the policy to assess good governance practices of the investee companies?***

  The Investment Manager has its own ESG analysis methodology in which quantitative and qualitative metrics are identified and selected, that measure the performance of companies in the management of each ESG factor, these include metrics to measure the existence of company policies and commitments. This methodology includes its own governance indicators that specifically assess performance in terms of corporate governance and business ethics and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

  The Investment Manager believes that companies with a higher governance score show a better ability to manage resources, mitigate key ESG risks and opportunities and meet benchmark corporate governance expectations. On the contrary, those that demonstrate a negative performance do not meet the minimum requirements to be categorized as sustainable investment. Additionally, a periodic analysis of controversies is carried out in order to identify inappropriate governance practices that may pose a material risk.

What is the asset allocation and the minimum share of sustainable investments?

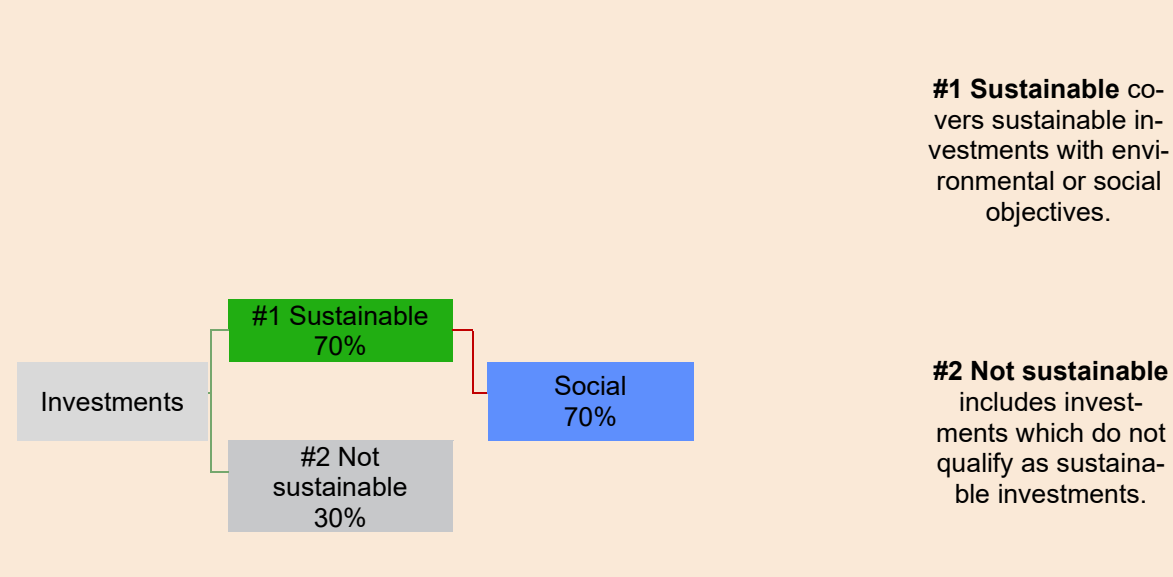
Asset allocation describes the share of investments in specific assets

Taxonomy-aligned activities are expressed as a share of:

-**turnover** reflecting the share of revenue from green activities of investee companies

-**capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

-**operational expenditure** (OpEx) reflecting green operational activities of investee companies.



To determine the values to invest, the mandate of the Sub-Fund described previously in this document will be taken into account. To this end, these criteria are taken into account in the decision-making process on the Sub-Fund's investments.

The minimum percentage of sustainable investment of this Sub-Fund is 70%. Please note that, for the sake of clarity, the percentages related to Sustainable Investments with Environmental and Social objectives are calculated based on the total investments.

How does the use of derivatives attain the sustainable investment objective?

Not applicable – the Sub-Fund does not use derivatives to attain the sustainable investment objective.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [21]?

☐ Yes
☐ In fossil gas ☐ In nuclear energy

☒ No

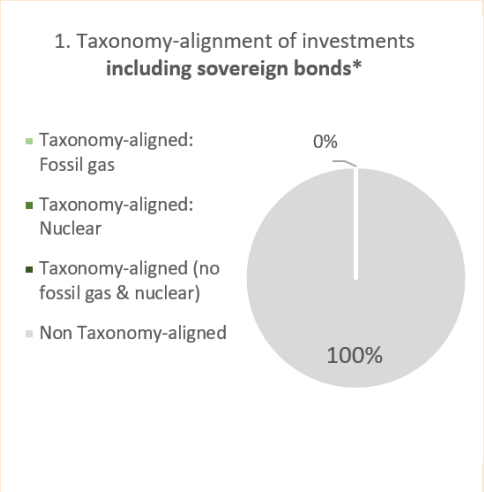
[21] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

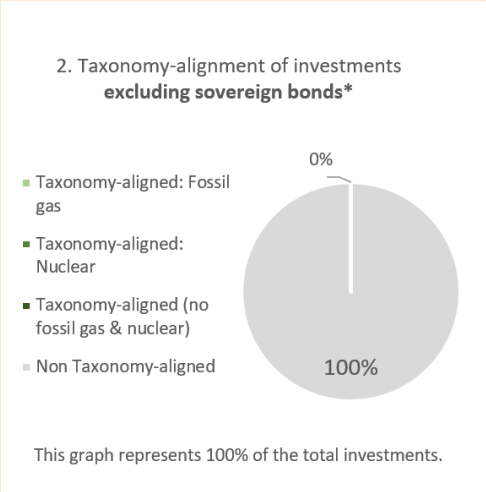
rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A

What is the share of socially sustainable investments?

The minimum social objective for this Sub-Fund is 70%

70% of the portfolio is considered as socially sustainable investment, as it complies with the criteria mentioned above (exclusions and positive screen).

The selection of the companies is made from the eligible universe as per the investment strategy of the Sub-Fund, which are aligned with the sustainable objective to improve the wellbeing of society, by investing in companies that sell products and services related to mainly social issues in alignment with SDGs (at least 30% of companies' revenues related to the SDGs).

Specific metrics are used that measure the percentage of company revenues derived from products and / or services that generate a social impact aligned with the SDG´s of the fund and provided by an external ESG data provider (MSCI, in this case).

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

The rest of the portfolio not classified as sustainable investments will have the purpose of providing liquidity to the portfolio and a hedging purpose for the efficient management of interest rate, currency and credit risks (i.e. derivatives, cash, etc…) and will not negatively affect the Sub-Fund´s objective. The Investment Manager seeks investments that integrate sustainability risks so as not to affect the objective of sustainable investment of the Sub-Fund and establishing minimum environmental or social safeguards, such as the consideration of the main principal adverse impacts, or the monitoring of the DNSH principle.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER US EQUITY ESG **Legal entity identifier:** 213800DI4XPBXR5VYI22

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.

- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment based on data provided by external providers, incorporating them into its own evaluation methodology, designed internally by the Santander Asset Management SRI team and based on market references and the main international reference frameworks and standards.

Examples of indicators that are used:

- Percentage of portfolio assets aligned with the social and environmental characteristics of the Sub-Fund, which must be at least 70%.
- Average ESG rating of the portfolio: The average minimum ESG rating of the portfolio (taking into account the assets with rating), in accordance with the Management Company's own methodology, will be an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance).
- ESG Rating at the issuer level: based on the above-mentioned methodology, the ESG Rating of each issuer is monitored and those with the best ESG rating are selected (above the 20th percentile in its relative rating with respect to sector and region), with the aim of investing in those with best sustainability practices.
- Exclusions: Indicators of exposure of companies' business to activities not permitted by the Sub-fund's policy.
- Controversy indicator: Those companies that are involved in controversies considered critical are excluded from the universe of investments.

In addition, for public fixed income, the Investment Manager excludes those with low performance in terms of political rights and social freedoms, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Additionally, in certain cases, this quantitative analysis is complemented with a qualitative analysis based on the public information of the companies and the information provided by the company in the course of its engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.

- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti- corruption and anti- bribery matters.

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

If an investment fails to comply with any of these safeguards, the Investment Manager considers that it is not possible to guarantee that there is no significant harm and is not considered a sustainable investment.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indica-tors in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the

coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PASI indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, the Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and SAM's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at https://www.santanderassetmanagement.lu

It also maintains specific due diligence policies regarding these impacts in accordance with its investment policy. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all indicators in table 1 and a selection of optional indicators in tables 2 and 3 (Annex I SFDR). To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

For this Sub-fund, the mitigation of these adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as evaluating and following up on possible controversies of the companies analyzed that may derive in significant impacts due to non-compliance with internationally recognized regulations or standards. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts.

The monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, armament, tobacco, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

The Sub-Fund excludes companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), 30% revenues derived from unconventional fossil fuels, 15% revenues derived from conventional weapons, 0% revenues derived from controversial weapons and 0% revenues derived from tobacco production.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favour those assets with a better ESG profile, with the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality. In addition, issuers with the best ESG rating are selected (above the 20th percentile in its relative rating with respect to sector and region).

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The average minimum ESG rating of the portfolio (taking into account the assets with rating), in accordance with the Management Company's own methodology, will be an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance). The ESG rating of the issuers for direct investment must be above the 20th percentile in its relative rating with respect to the sector and region, according to Investment Manager's methodology, so it invests in those issuers with best sustainability practices.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The Investment Manager has its own ESG analysis methodology through which a series of quantitative and qualitative metrics are identified and selected to measure the performance of the companies in the management of each ESG factor, including metrics to measure the existence of policies and commitments of the companies. This methodology includes governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided.

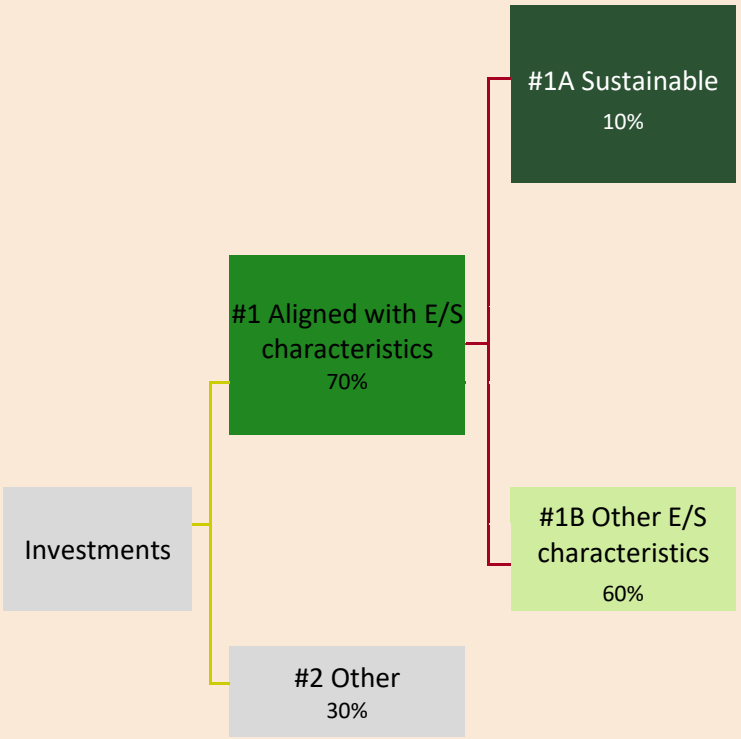
Good governance practices are also assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

Companies involved in controversies considered critical, are excluded from the Sub-Fund's investment universe.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

To determine the values to invest, the mandate of the Sub-Fund described previously in this document will be taken into account. To this end, these criteria are taken into account in the decision-making process on the Sub-Fund's investments.

These procedures apply, as described above, to investments in cash direct investment assets and Investment Funds in the Sub-Fund's portfolio, representing at least 70% of the fund's assets. As for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the fund, they may not exceed 30% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Fund is 10% on an aggregated basis.

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of the principal adverse impacts.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [22]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

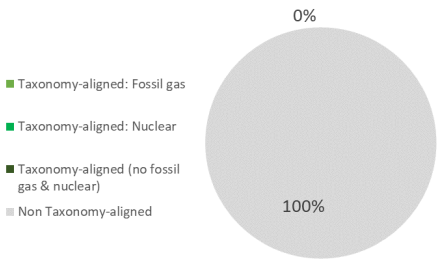
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

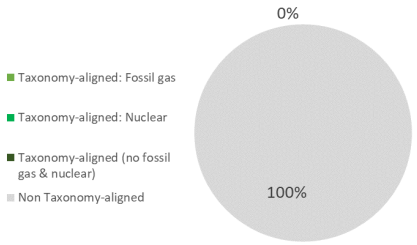
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments ***including sovereign bonds****



2. Taxonomy-alignment of investments ***excluding sovereign bonds****



This graph represents 100% of the total investment

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[22] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Investments included under "other", will not alter the achievement of the environmental or social characteristics promoted by the Sub-fund.

The Investment Manager seeks investments that integrate sustainability risks so as not to affect the environmental & social characteristics of the Sub-Fund and establishing minimum environmental or social safeguards, such as the consideration of the main principal adverse impacts.

They may not exceed 30% of the Sub-Fund’s, and may be invested only in the following assets, within those permitted by the Sub-Fund’s investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER TARGET MATURITY 2025 EURO

Legal entity identifier: 213800DWGL9SKQ9J2V62

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐**Yes**	☒**No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.

- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed

- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.

The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.

- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not

significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of

the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No

The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process. The Investment Manager considers that the investment strategy of the Sub-Fund does not allow for a full integration of the PAI indicators as it expects to hold the underlying bonds to maturity, limiting the potential mitigating actions derived.

However, the Investment Manager considers PAI at the entity level in accordance with the methodology which is available on https://www.santanderassetmanagement.lu

Additionally, the Sub-Fund uses the mandatory PAI indicators as part of the Do Not Significant Harm screen to demonstrate that an investment qualifies as Sustainable Investment.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial

weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

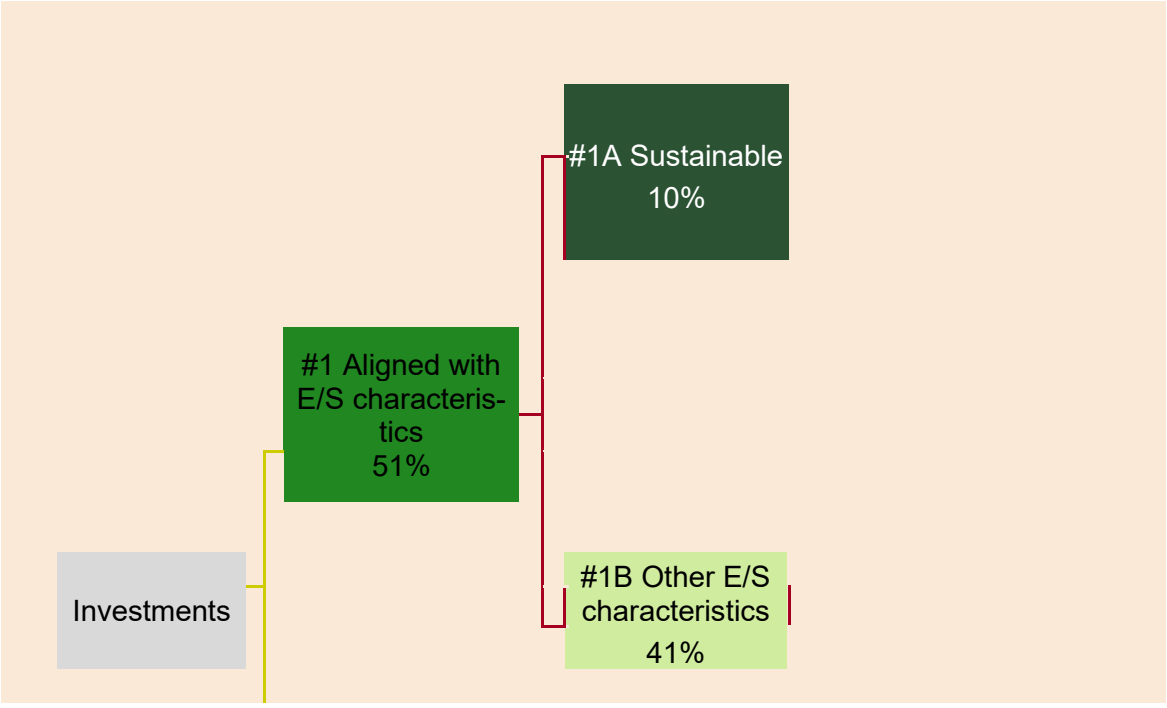
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing



the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

#2 Other
49%

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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [23]?

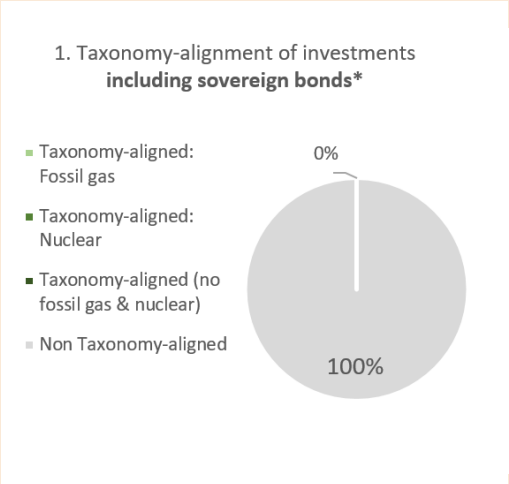
[23] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

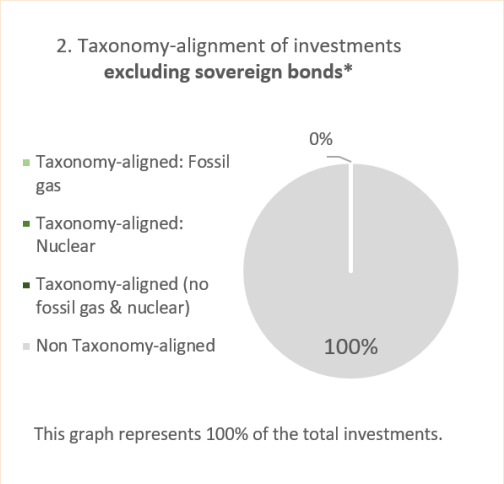
☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an en-

vironmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER TARGET MATURITY EURO II

Legal entity identifier: 213800PW972JZ4RWG390

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.

The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was de-

are attained.

signed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.

- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial

to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.

- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager‘s values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No

The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process. The Investment Manager considers that the investment strategy of the Sub-Fund does not allow for a full integration of the PAI indicators as it expects to hold the underlying bonds to maturity, limiting the potential mitigating actions derived.

However, the Investment Manager considers PAI at the entity level in accordance with the methodology which is available on https://www.santanderassetmanagement.lu

Additionally, the Sub-Fund uses the mandatory PAI indicators as part of the Do Not Significant Harm screen to demonstrate that an investment qualifies as Sustainable Investment.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group’s Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager’s analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager’s engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies’ business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund’s universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff

What is the policy to assess good governance practices of the investee companies?

The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee compa-

and tax compliance.

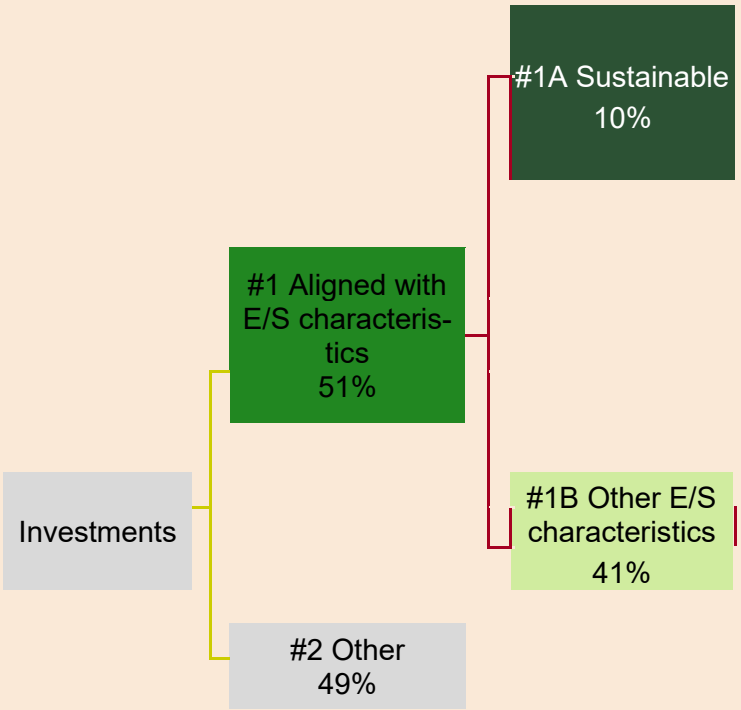
nies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [24]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear en-**

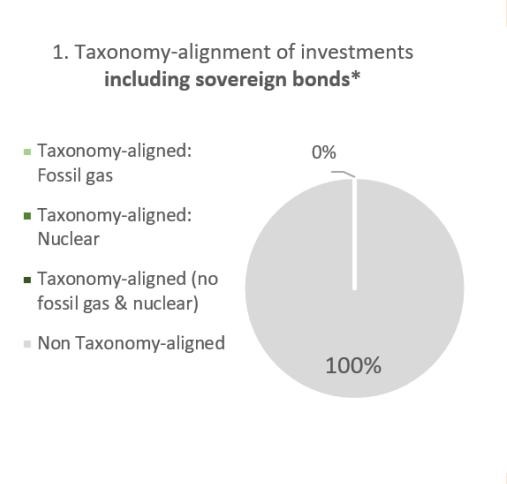
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

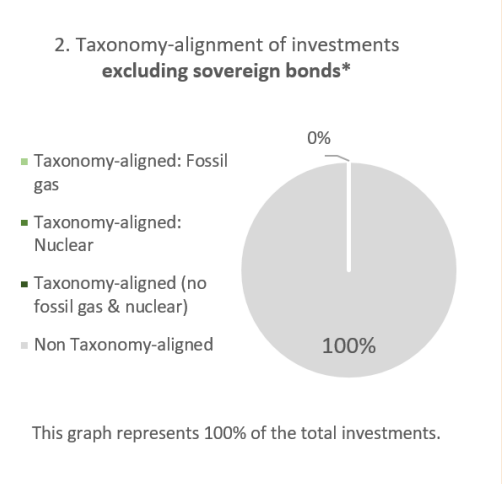
[24] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

ergy, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SANTANDER TARGET MATURITY EURO III

Legal entity identifier: 2138001YITBC1N3O2O34

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐Yes	☒No
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.

- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed

- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.

The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.
- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.

- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial

to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.

- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

How have the indicators for adverse impacts on sustainability factors been taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters.

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager‘s values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☐ Yes

☒ No

The Sub-Fund does not consider principal adverse impacts on sustainability factors within its investment process. The Investment Manager considers that the investment strategy of the Sub-Fund does not allow for a full integration of the PAI indicators as it expects to hold the underlying bonds to maturity, limiting the potential mitigating actions derived.

However, the Investment Manager considers PAI at the entity level in accordance with the methodology which is available on https://www.santanderassetmanagement.lu

Additionally, the Sub-Fund uses the mandatory PAI indicators as part of the Do Not Significant Harm screen to demonstrate that an investment qualifies as Sustainable Investment

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is mainly focused on controversial weapons, according to Santander Group’s Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager’s analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager’s engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies’ business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund’s universe of eligible assets,

after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff

What is the policy to assess good governance practices of the investee companies?

The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee compa-

and tax compliance.

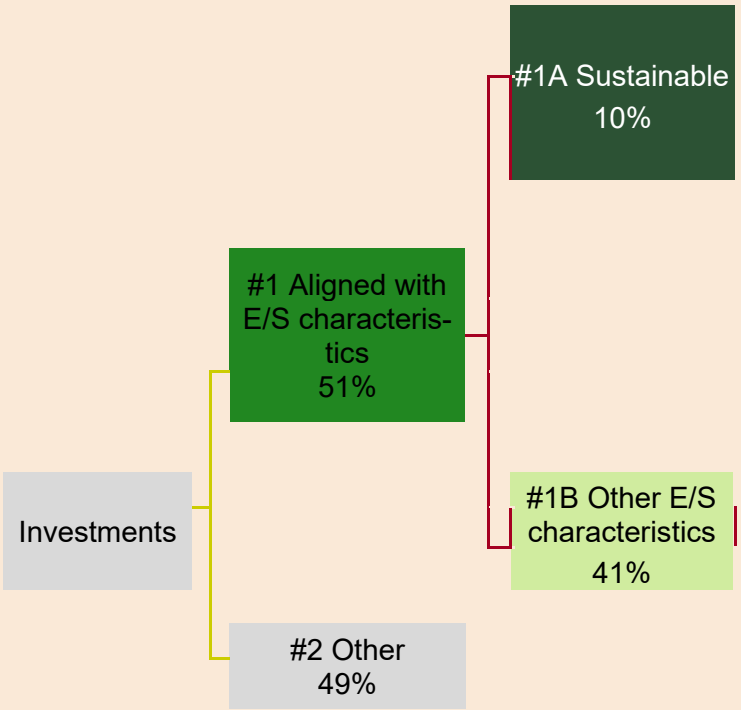
nies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 10% on an aggregated basis.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [25]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

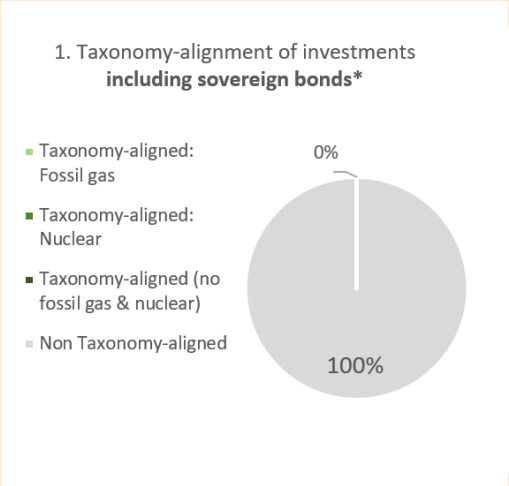
[25] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

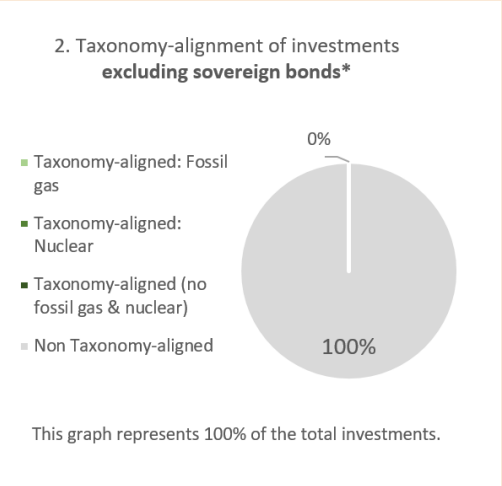
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

best performance.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 10%.

What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund’s assets and may be invested only in the following assets, within those permitted by the Sub-Fund’s investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Santander Multi Index Income **Legal entity identifier:** []

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy.	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Sub-Fund in its management applies financial and extra-financial criteria with the aim of integrating sustainability into investments.

To this end, financial, environmental, social and good governance analysis elements are used, in order to obtain a more complete and comprehensive view of the assets to be invested, taking into account, among other aspects, the following ESG characteristics (Environmental, Social and Governance):

- Environmental care (corresponding to the E in the ESG area): Analysis of the commitment to the conservation of natural resources by reducing their use or eliminating their abuse, Promotion of innovation by investing in new techniques and/or businesses that are more environmentally friendly, climate change (promotion and/or promotion of renewable energy, reduction of CO2 emissions, efficiency, etc.), natural resources (forestry, water, wood and water treatment, etc.), Pollution management and waste management and environmental opportunities, etc. These criteria apply to both public and private issuers.
- Social criteria (corresponding to the S in the ESG area): Promotion of respect for human rights, decent work, the development of workers within the enterprise or in their professional aspects such as personal development (gender equality, training, safety and health, professional development, etc.), control of the company's products so that they do not cause physical or moral damage to consumers, among others. Relationship with customers and suppliers (marked with a criterion of transparency in relationships), and with the community at large (with value-generating practices and/or businesses, as well as penalizing the conduct of activities and/or businesses harmful to the environment or society). On the public debt side, specific metrics are assessed for this type of asset, such as: Policies and expenditure in education and health, employment, social quality (life expectancy). Indicators such as the human development index, GINI index, commitment to different conventions relating to human and labor rights. Initiatives to promote the development of less-favored regions, etc., will be positively assessed
- Good governance and business ethics (corresponding to G in the ESG area): A thorough analysis of the quality of the management team is carried out to limit negative events and news that may affect a company's performance in the short term: Accidents, strikes, corruption and fraud. Within corporate governance, particular attention is paid to the composition of the board, the number of women on the board, remuneration, control and ownership of the company and accounting. On the public debt side, specific metrics for this type of asset are assessed, such as: Regulatory and state law quality, corruption control, R&D expenditure, political stability, freedom to create companies and to invest.
- The Investment Manager, through its decision and control mechanisms, ensures that the assets in which the Sub-Fund invests comply with the ESG characteristics promoted by the Sub-Fund, based on the ESG information on assets provided by ESG data providers and on which it applies its own analysis methodology to obtain an assessment of the ESG performance of those assets by granting an ESG rating to the issuer.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What sustainability indicators are used to measure the attainment of each the environmental or social characteristics promoted by this financial product?

The Investment Manager carries out its ESG assessment on the basis of data provided by external suppliers, incorporating them into its own evaluation methodology, which was designed internally by the Santander Asset Management SRI team and is based on market references and on the main international frameworks and benchmarks.

Examples of indicators used:

- Percentage of assets in the portfolio aligned with the social and environmental characteristics of the Sub-Fund, which should be at least 51%.
- Minimum Average ESG rating of the portfolio: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

- Exclusions: Indicators of the issuers' business exposure to activities not permitted by the Sub-Fund's policy.
- Dispute indicator: Companies that are involved in disputes considered critical are excluded from the investment universe.

In addition, for public fixed income, those with low performance in terms of political rights and social freedoms are excluded, according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

In addition, in certain cases, this quantitative analysis is complemented by a qualitative analysis based on the public information of the companies and that provided by the company in engagement activities.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

In this regard, the sustainable investments of this Sub-Fund will contribute to at least one of the following objectives:

- Climate change mitigation: Helping to stabilize greenhouse gas concentrations in the atmosphere in line with the Paris Agreement.
- Adaptation to climate change: Investing in adaptation solutions that substantially reduce or forecast the risk of adverse effects of climate.
- Sustainable use and protection of water and marine resources: Helping to achieve the good condition of water bodies or to prevent their deterioration.
- Transition to a circular economy: Supporting waste minimization or recycling to reduce unsustainable waste generation.
- Pollution prevention and control: Preventing or reducing pollutant emissions in air, water or land or improving their quality levels.
- Protection and recovery of biodiversity and ecosystems: Contributing substantially to the protection, conservation or restoration of biodiversity.
- Decent work: Contributing to employment promotion, ensuring rights at work, extending social protection and promoting social dialog.
- Adequate living standards and consumer welfare: Contributing to the creation of products and services that meet basic human needs.
- Inclusive and sustainable communities and societies: Respecting and supporting human rights by paying attention to the impacts of activities on communities.

To analyse the positive contribution of sustainable investment to the objectives, the Manager invests in issuers that meet at least one of the following scenarios:

- They generate a significant percentage (at least 20% of the company revenues) of benefits from products and/or services that generate an environmental impact (e.g. through sustainable agriculture, pollution prevention, alternative energy, among others) and/or social (e.g. education solutions, connectivity enhancement and improvement, disease treatment, among others).
- Its activities are aligned with the decarbonization path of the Paris Agreement or are currently net zero.
- Its corporate practices demonstrate an intention to contribute to the Fund's environmental and/or social objectives through its leading sustainability performance.
- their practices are significantly (at least 20% of their revenues) aligned with the objectives of mitigation and/or adaptation in accordance with the EU taxonomy.

In addition, the Fund may invest in issues that contribute to at least one of the sustainability objectives described above by financing green, social or sustainable projects in accordance with reference standards such as those developed by the International Capital Market Association ("ICMA").

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti- bribery matters

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

To ensure that the positive contribution to a social and/or environmental objective does not significantly harm other objectives, the Investment Manager has defined a number of safeguards based on its internal methodology with the aim of demonstrating that there is an intention not to cause such harm. These safeguards are:

- Consideration of principal adverse impact indicators: With the objective of measuring the possible impact on other environmental or social objectives other than those pursued through the contribution as explained in the following paragraph.
- Activity in controversial sectors: By excluding activities considered to be controversial to ensure minimum exposure among sustainable investments. Significant exposures to sensitive sectors such as fossil fuels, controversial weapons, among others, as well as investments exposed to severe disputes are analyzed and excluded.
- Neutral sustainable performance: To ensure that each issuer's sustainability practices meet minimum ESG requirements.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Investment Manager considers the principal adverse impacts on sustainability factors when making investment decisions.

In addition, these indicators are considered in the analysis of the principle of not causing significant harm (DNSH) according to a number of internally defined relevance thresholds based on quantitative and qualitative technical criteria. These thresholds may be:

- Absolute thresholds: Considering that issuers with significant exposure to fossil fuels (PAI 4), violate international standards (PAI 10) and/or are exposed to controversial weapons (PAI 14) do not comply with the DNSH principle.
- Sectoral thresholds: Considering that, for issuers that fall within the worst performing threshold of their sector of activity, it is not possible to ensure that DNSH is properly complied with.

Currently, the Investment Manager is aware that the availability and data quality of all indicators in Table 1 and those relevant in Tables 2 and 3 of Annex I to SFDR is limited. Therefore, it carries out an internal analysis of the coverage and quality of the data and considers those indicators that ensure the robustness and reliability of the DNSH analysis.

The Investment Manager will seek to reduce the heterogeneity of the data from the PAIs indicators through collaboration with data issuers and providers and will periodically assess whether the data quality is adequate enough to be included in the DNSH analysis.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Respect for human rights is an integral part of the Investment Manager 's values and a minimum standard of action to carry out its activities in a legitimate manner.

In this regard, The Investment Manager's action is based on the principles emanating from the OECD Guidelines for Multinational Enterprises and the ten principles of the UN Global Compact, among others. This commitment is reflected in both Santander Group's corporate policies and the Investment Manager's own policies as well as being part of the Investment Manager's sustainability risk integration procedure.

Finally, the Sub-Fund regularly monitors whether the investments fail to comply with any of these international guidelines and, if there is any type of non-compliance, it is assessed and decisions are taken according to the relevance of the policy, which could lead, for example, to engagement actions.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

The Investment Manager carries out an analysis and monitoring with the aim of detecting and mitigating the main adverse impacts on sustainability arising from the activity of the companies in which it invests in accordance with its own methodology and indicators that can be consulted at www.santanderasset-management.lu. The Investment Manager takes into account the main adverse impacts on sustainability factors when making investment decisions. These include all mandatory indicators in table 1 and a selection of optional indicators in tables 2 and 3 as described in Annex I of the Regulatory Technical Standards supplementing SFDR. To this end, it monitors a number of environmental and social indicators (KPIs) which, through the consideration of published information on the issuers in which it invests, make it possible to warn of the negative effects that investments made by this Sub-Fund could cause to the outside.

Information on the PAIs that are considered are available on the following website https://www.santanderassetmanagement.lu/document-library/policies.

For this Sub-Fund, the mitigation of such adverse impacts is carried out by applying certain exclusion criteria for those sectors with the greatest potential to generate them, as well as assessing and monitoring possible disputes of the companies analyzed that could lead to significant impacts due to non-compliance with internationally recognized standards or regulations. In addition, an ESG analysis is applied, allowing managers to have a more complete view of the assets to invest in in order to prevent potential risks and adverse impacts. In addition, the monitoring activities carried out in the area of ESG are key to detect these potential adverse impacts on sustainability, to monitor the management of these adverse impacts by companies, and establish procedures in the event of an inadequate or insufficient response by companies. Information on how principal adverse impacts on sustainability factors were considered for this Sub-Fund will be provided in the annual report.

What investment strategy does this financial product follow?

For the determination of the securities to be invested, the mandate of the Sub-Fund shall be taken into account, in accordance with the following criteria that apply in the decision-making process on the investments of the Sub-fund, although adapted to each type of asset:

- Exclusion criteria:

Excluding assets/issuers whose business models are not aligned with the promotion of sustainability, or which do not respect certain values from the ESG point of view. For example, issuers whose business is mainly focused on activities related to controversial weapons, as well as non-conventional fossil fuels and coal-based power generation and coal mining are excluded.

Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the following exclusions: companies with more than 25% revenues derived from coal mining (and will be 0% by 2030) and coal power generation (and will be 10% by 2030), and companies whose business is

mainly focused on controversial weapons, according to Santander Group's Defence Policy & exclusion list.

In addition, a dispute analysis is carried out through information from external suppliers, allowing the identification of breaches of internationally recognized standards or standards. Companies that are involved in disputes considered critical are excluded from the investment universe and investment in issuers where environmental, social or governance events are defined that, by the nature of the occurrence of the events, is rejected; jeopardize the fulfilment of the characteristics that this Sub-Fund promotes.

In addition, for the particular case of public fixed income, the following country exclusion criteria apply, to exclude those with poor performance in terms of political rights and social freedoms according to either of the following two indicators:

- Democracy Index: Determines the range of democracy in 167 countries based on indicators such as electoral process and pluralism, civil liberties, governance, political participation and political culture (on a scale of 1 to 10 points, countries below 6 points and corresponding to hybrid and authoritative schemes are excluded),
- Freedom in the World study: Measures the degree of democracy and political freedom in all countries and in the most important disputed territories worldwide on a scale of 3 levels ("non-free", "partially free" and "free"), excluding countries classified as "non-free".

Furthermore, it is stated that the list of exclusion criteria is subject to minimum annual review by the Investment Manager.

- Valuation criteria:

Quantitative and qualitative criteria are used that are assessed in a positive and/or negative sense in order to obtain a clear and complete view of each asset in its overall performance in the ESG area, generating a score or ESG score within each type of issuer. As an example, for companies, elements such as relationships with their employees, health and safety at work, training, commitment to the conservation of natural resources are considered, with greenhouse gas management and mitigation and good corporate governance and business ethics. For public debt, specific metrics are assessed for this type of asset, such as policies and expenditure in education and health, employment, human development index, regulatory and state law quality, corruption control, R&D expenditure or political stability. In the case of Investment Funds, the portfolio score of those Investment Funds shall be considered in accordance with the management's own internal ESG methodology mentioned above.

On the basis of these criteria, each asset obtains an ESG valuation that complements the portfolio manager's analysis in accordance with economic-financial criteria and which is used to favor those assets with a better ESG profile, With the objective of the Sub-Fund respecting an average minimum rating (A-) of ESG quality.

These ESG indicators/scores may vary depending on their relevance in each area and the data coverage available by the providers used by the Investment Manager and those published at any time by the issuers, so that all issuers may not be rated.

In addition, for private issuers, engagement and voting activities are carried out where the type of assets allows (shares), aligned with the social and environmental characteristics of the Sub-Fund and with the Investment Manager's engagement and voting policies resulting from implementation. With these activities, which consist of dialog and involvement with the companies in which it is invested, the Investment Manager seeks a double objective. On the one hand, to understand in depth the companies' business model, their risks and opportunities and, on the other hand, to promote change, so as to improve the strategy, management and reporting of the material ESG aspects for each company. This helps to protect the value of the investments and to reduce their adverse impact on sustainability factors.

By way of exception, if an issuer fails to fulfil the ESG mandate but issues a green, social or sustainable bond, this issue could be part of the Sub-Fund's universe of eligible assets, after prior validation by the Investment Manager, in accordance with its own analysis methodology.

Compliance with the investment strategy is monitored on a regular basis in the Investment and Sustainability Committees provided for in the Sustainable and Responsible Investment Policy where the management teams and the SRI team are present. These committees monitor the fulfilment of the product's ESG requirements, present and discuss potential identified disputes in order to define the action plan to

be followed, which can range from individual engagement activities, monitoring performance through public information sources and data providers, to be involved with the company in question.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The binding elements used in the selection of investments for the promotion of environmental, social and corporate governance characteristics are the exclusion and valuation criteria described in the investment strategy.

- Exclusion criteria: Excluding direct cash investment assets from issuers that do not comply with the exclusions described above.
- Valuation criteria: The minimum average ESG rating of the issuers of the assets in the cash direct investment and qualifying investment funds, with ESG rating (in accordance with the Investment Manager's methodology in the analysis of underlying assets), will be at least an A- on a 7-level scale (C-, C, C+, B, A-, A and A+, where A+ reflects the best ESG performance) so that the portfolio meets the criteria described for the promotion of the aforementioned ESG characteristics.

However, as an exception, some investments could be considered as compliant with the environmental or social characteristics promoted by the Sub-Fund in the following cases:

- They are considered sustainable investments (in accordance with the Investment Manager's own analysis and methodology) and in particular may be classified as green, social or sustainable bonds, and are part of the universe of assets that the Sub-Fund may invest in pursuant to its promoted ESG characteristics, after prior validation by the Investment Manager.
- Investment funds without ESG rating but that promote ESG characteristics. (Investment Funds considered Art. 8 under SFDR) and/or targeting sustainable investments (Art. 9 under SFDR).

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The Sub-Fund does not commit to a minimum rate to reduce the scope of investments prior to the application of the investment strategy.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

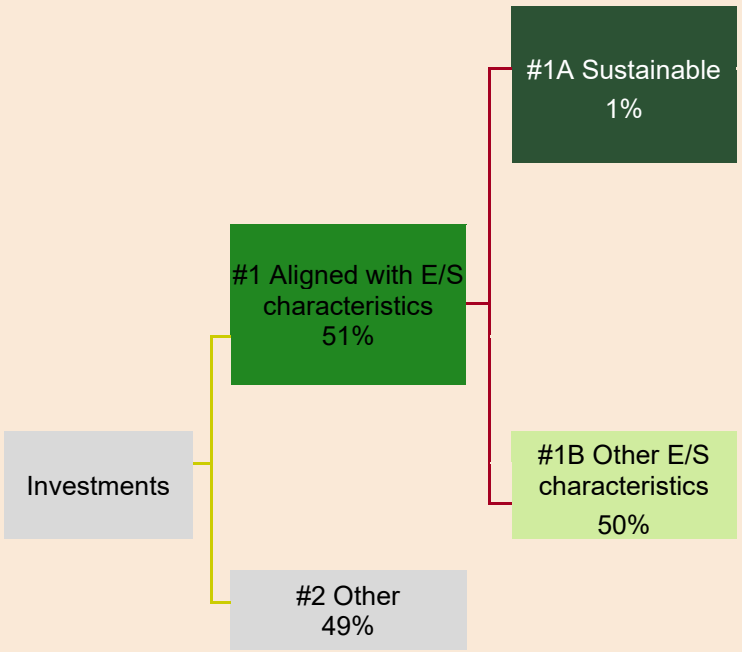
The Investment Manager has its own ESG analysis methodology by which a series of quantitative and qualitative metrics are identified and selected to measure the performance of companies in the management of each ESG factor, including metrics to measure the existence of corporate policies and commitments. This methodology includes own governance indicators that specifically assess corporate governance and business ethics performance and the quality of the information provided. Good governance practices of investee companies, which include the key pillars of sound management structures, employee relations, remuneration of staff and tax compliance, are assessed through the analysis of controversies leveraging external data provider research that allows to identify corporate governance, business ethics and public policy incidents.

In addition, the Investment Manager carries out a regular analysis of disputes with the aim of identifying inappropriate governance practices that may pose a material risk.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



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

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

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

For the determination of the securities to be invested, the mandate of the Sub-Fund described above in this document shall be taken into account in accordance with the promotion of the Sub-Fund's ESG characteristics. For this purpose, both exclusion and valuation criteria that apply in the decision process on the investments of the Sub-Fund for each type of asset are taken into account.

These procedures apply as described above to investments of cash direct investment assets and investment funds in the Sub-Fund's portfolio representing at least 51% of the Sub-Fund's assets for the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets.

The minimum percentage of sustainable investment of this Sub-Fund is 1%.

Please note that, for the sake of clarity, the percentages related to Sustainable Investments (#1A) and other E/S characteristics (#1B) are calculated based on the total investments and not only on those aligned with E/S characteristics.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Not applicable – the Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not intend to make taxonomy-aligned sustainable investments and alignment has therefore been assessed to be 0%.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy [26]?

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

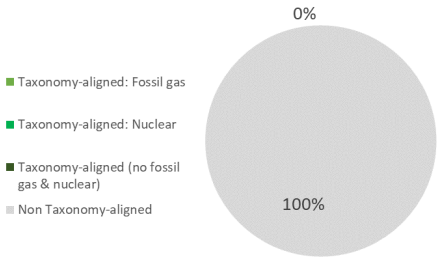
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

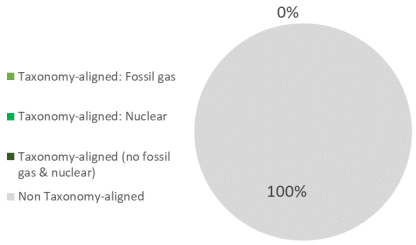
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have green-

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments ***including sovereign bonds****



2. Taxonomy-alignment of investments ***excluding sovereign bonds****



This graph represents 100% of the total investment

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

[26] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives -see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

house gas emission levels corresponding to the best performance.

What is the minimum share of investments in transitional and enabling activities?

The Sub-Fund has a minimum share of 0% in transitional activities and of 0% in enabling activities.

are sustainable investments with an environmental objective that do that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU taxonomy?

The Sub-Fund does not have a minimum commitment on sustainable investments with an environmental objective that are not aligned with the EU taxonomy. The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What is the minimum share of sustainable investments with a social objective?

The Sub-Fund does not have a minimum commitment on social sustainable investments.

The Sub-Fund makes investments with both an environmental and a social objective. There is no prioritization of environmental or social objectives, and the strategy does not target any specific allocation or minimum proportion for either of these objectives. The investment process accommodates the combination of environmental and social objectives by allowing the Investment Manager the flexibility to allocate between these based on availability and attractiveness of investment opportunities, while keeping investments with environmental and/or social objectives to a minimum of 1%.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

For the rest of the investments, which will not alter the achievement of the environmental or social characteristics promoted by the Sub-Fund, they may not exceed 49% of the Sub-Fund's assets and may be invested only in the following assets, within those permitted by the Sub-Fund's investment policy:

- Direct cash investment assets that did not have an ESG rating/rating due to the lack of supplier data used by the Investment Manager and which cannot be considered sustainable investments in accordance with the criterion defined in the previous section (i.e. green, social bonds, etc.).
- Investment funds that did not have an ESG rating/rating due to lack of data and that cannot be classified as an investment fund art. 8 or 9 according to SFDR.
- Other cash assets other than those mentioned above. (e.g., ETC, etc.) that are permitted by the Sub-Fund's policy and do not harm its ESG profile.
- Liquidity at the depositary and other current accounts used for the ordinary operation of the Sub-Fund (i.e. derivative guarantees, etc.).

The Investment Manager establishes minimum environmental or social safeguards, such as the consideration of major adverse events.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A

Where can I find more product specific information online?

Further information specific to this Sub-Fund can be found on the website https://www.santanderassetmanagement.lu/document-library/policies

ANNEX II – Other Information

1. BENCHMARK DISCLAIMERS

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2. LIST OF SUB-CUSTODIANS

The following contains details of J.P. Morgan's Securities Services global network of sub-custodians, International Central Securities Depositories (ICSDs) and Cash Correspondents (Securities Related Activity) who contract with ***J.P. Morgan SE – Luxembourg Branch*** (JPMSE Lux)

Markets Covered

Argentina	Iceland	Portugal
Australia	India	Qatar
Austria	Indonesia	Romania
Bahrain	Ireland	Russia
Bangladesh	Israel	Saudi Arabia
Belgium	Italy	Serbia
Bermuda	Japan	Singapore
Botswana	Jordan	Slovak Republic
Brazil	Kazakhstan	Slovenia
Bulgaria	Kenya	South Africa
Canada	Kuwait	South Korea
Chile	Latvia	Spain
China A-Share	Lithuania	Sri Lanka
China B-Share	Luxembourg	Sweden
China Connect	Malawi	Switzerland
Colombia	Malaysia	Taiwan
Costa Rica	Mauritius	Tanzania
Croatia	Mexico	Thailand
Cyprus	Morocco	Tunisia
Czech Republic	Namibia	Turkey
Denmark	Netherlands	Uganda
Egypt	New Zealand	Ukraine
Estonia	Nigeria	United Arab Emirates
Finland	Norway	United Kingdom
France	Oman	United States
Germany	Pakistan	Uruguay
Ghana	Panama	Vietnam
Greece	Peru	WAEMU
Hong Kong	Philippines	Zambia
Hungary	Poland	Zimbabwe

International Central Securities Depositories

Clearstream
Euroclear

Argentina

Market Added **1986**

Service Provider
HSBC Bank Argentina S.A.

Service Provider Since
2003

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
HSBC Bank Argentina S.A.

Australia

Market Added **1974**

Service Provider
JPMorgan Chase Bank, N.A. - Sydney Branch*

Service Provider Since
1989

JPMSE Lux Contracts With
JPMorgan Chase Bank, N.A. - Sydney Branch*

Cash Correspondent (Securities Related Activity)
Australia and New Zealand Banking Group Ltd.
JPMorgan Chase Bank N.A. - Sydney Branch* *(for clients utilizing J.P. Morgan's domestic AUD solution)*

Austria

Market Added **1986**

Service Provider
UniCredit Bank Austria AG

Service Provider Since
1986

JPMSE Lux Contracts With
UniCredit Bank Austria AG

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Bahrain

Market Added **1996**

Service Provider
HSBC Bank Middle East Limited (Bahrain Branch)

Service Provider Since
1996

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
HSBC Bank Middle East Limited (Bahrain Branch)

Bangladesh

Market Added **1993**

Service Provider
Standard Chartered Bank (Bangladesh Branch)

Service Provider Since
1993

JPMSE Lux Contracts With
Standard Chartered Bank (Bangladesh Branch)

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank (Bangladesh Branch)

Belgium

Market Added **1974**

Service Provider	Service Provider Since
BNP Paribas Securities Services SCA	2011
Direct Relationship with Depository	2017

JPMSE Lux Contracts With
BNP Paribas Securities Services SCA

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

BNP Paribas Securities Services SCA for Belgian Bonds settling in the National Bank of Belgium
For DIRECT Relationship with Depository, Accounts at the CSD are held by JPMSE Lux operated through BNP Paribas Securities Services SCA

Bermuda

Market Added **1997**

Service Provider	Service Provider Since
HSBC Bank Bermuda Limited	1997

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
HSBC Bank Bermuda Limited

Botswana

Market Added **1993**

Service Provider	Service Provider Since
Standard Chartered Bank Botswana Limited	2010

JPMSE Lux Contracts With
Standard Chartered Bank

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank Botswana Limited

Brazil

Market Added **1988**

Service Provider	Service Provider Since
J.P. Morgan S.A. Distribuidora de Titulos e Valores Mobiliarios*	2011

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association* *(who in turn appoint J.P. Morgan S.A. Distribuidora de Titulos e Valores Mobiliarios*)*

Cash Correspondent (Securities Related Activity)
J.P. Morgan S.A. Distribuidora de Titulos e Valores Mobiliarios*

Bulgaria

Market Added **1997**

Service Provider	Service Provider Since
Citibank Europe plc, Bulgaria Branch	2014

JPMSE Lux Contracts With
Citibank Europe plc, Bulgaria Branch

Cash Correspondent (Securities Related Activity)
ING Bank N.V., Sofia Branch

Canada

Market Added **1974**

Service Provider
CIBC Mellon Trust Company†

Service Provider Since
1994

JPMSE Lux Contracts With
CIBC Mellon Trust Company†

Cash Correspondent (Securities Related Activity)
Royal Bank of Canada
Canadian Imperial Bank of Commerce *(For clients utilizing J.P. Morgan's domestic CAD solution)*

Canada

Market Added **1974**

Service Provider
Royal Bank of Canada†

Service Provider Since
1979

JPMSE Lux Contracts With
Royal Bank of Canada†

Cash Correspondent (Securities Related Activity)
Royal Bank of Canada
Canadian Imperial Bank of Commerce *(For clients utilizing J.P. Morgan's domestic CAD solution)*

Chile

Market Added **1988**

Service Provider
Banco Santander Chile

Service Provider Since
2009

JPMSE Lux Contracts With
Banco Santander Chile

Cash Correspondent (Securities Related Activity)
Banco Santander Chile

China A-Share

Market Added **1993**

Service Provider
HSBC Bank (China) Company Limited†

Service Provider Since
2002

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited†

Cash Correspondent (Securities Related Activity)
HSBC Bank (China) Company Limited†

China A-Share for CIBM Direct Only

Market Added **1993**

Service Provider
JPMorgan Chase Bank (China) Company Limited - Shanghai Branch*†

Service Provider Since
2018

JPMSE Lux Contracts With
JPMorgan Chase Bank (China) Company Limited*†

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank (China) Company Limited - Shanghai Branch*†

China B-Share

Market Added **1993**

Service Provider
HSBC Bank (China) Company Limited†

Service Provider Since
1993

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited†

Cash Correspondent (Securities Related Activity) JPMorgan Chase Bank, N.A. - Hong Kong Branch* JPMorgan Chase Bank, National Association*

China Connect

Market Added **2014**

Service Provider
JPMorgan Chase Bank, N.A. - Hong Kong Branch*

Service Provider Since
2014

JPMSE Lux Contracts With
JPMorgan Chase Bank, N.A. - Hong Kong Branch*

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - Hong Kong Branch*

Colombia

Market Added **1992**

Service Provider
Cititrust Colombia S.A. Sociedad Fiduciaria

Service Provider Since
2015

JPMSE Lux Contracts With
Cititrust Colombia S.A. Sociedad Fiduciaria

Cash Correspondent (Securities Related Activity)
Cititrust Colombia S.A.

Costa Rica

Market Added **2011**

Service Provider
Banco BCT S.A.

Service Provider Since
2011

JPMSE Lux Contracts With
Banco BCT S.A.

Cash Correspondent (Securities Related Activity)
Banco BCT S.A.

Croatia

Market Added **1997**

Service Provider
Privredna banka Zagreb d.d.

Service Provider Since
1997

JPMSE Lux Contracts With
Privredna banka Zagreb d.d.

Cash Correspondent (Securities Related Activity)
Zagrebacka banka d.d.

Cyprus

Market Added **1996**

Service Provider
HSBC Continental Europe, Greece

Service Provider Since
2011

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Czech Republic

Market Added **1994**

Service Provider
UniCredit Bank Czech Republic and Slovakia, a.s.

Service Provider Since
2003

JPMSE Lux Contracts With
UniCredit Bank Czech Republic and Slovakia, a.s.

Cash Correspondent (Securities Related Activity)
Ceskoslovenská obchodní banka a.s.

Denmark

Market Added **1980**

Service Provider
Skandinaviska Enskilda Banken, Dnk, filial af SEB AB(PUBL.), Sverige

Service Provider Since
2021

JPMSE Lux Contracts With
Skandinaviska Enskilda Banken AB (publ)

Cash Correspondent (Securities Related Activity)
Nordea Bank Abp

Egypt

Market Added **1994**

Service Provider
Citibank N.A., Egypt

Service Provider Since
1995

JPMSE Lux Contracts With
Citibank N.A., Egypt

Cash Correspondent (Securities Related Activity)
Citibank N.A., Egypt

Estonia

Market Added **1996**

Service Provider
Clearstream Banking S.A. (in its capacity as ICSD)

Service Provider Since
2019

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association* (who in turn appoint Clearstream Banking S.A.)

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Market Added **1984**

Finland

Service Provider | **Service Provider Since**
Skandinaviska Enskilda Banken AB (publ) Helsingforsfilialen | 2021

JPMSE Lux Contracts With
Skandinaviska Enskilda Banken AB (publ)

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

France

Market Added **1977**

Service Provider | **Service Provider Since**
BNP Paribas Securities Services SCA | 1986
Direct Relationship with Depository | 2017

JPMSE Lux Contracts With
BNP Paribas Securities Services SCA

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

BNP Paribas Securities Services SCA for Physical Securities and Ordre De Mouvement (ODMs) held by Clients
For DIRECT Relationship with Depository, Accounts at the CSD are held by JPMSE Lux operated through BNP Paribas Securities Services SCA

Germany

Market Added **1974**

Service Provider | **Service Provider Since**
Deutsche Bank AG | 2004

JPMSE Lux Contracts With
Deutsche Bank AG

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Ghana

Market Added **1994**

Service Provider | **Service Provider Since**
Standard Chartered Bank Ghana PLC | 2010

JPMSE Lux Contracts With
Standard Chartered Bank

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank Ghana PLC

Greece

Market Added **1988**

Service Provider | **Service Provider Since**
HSBC Continental Europe, Greece | 1994

JPMSE Lux Contracts With
HSBC Continental Europe, Greece

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Hong Kong

Market Added **1974**

Service Provider
JPMorgan Chase Bank, N.A. - Hong Kong Branch*

Service Provider Since
2012

JPMSE Lux Contracts With
JPMorgan Chase Bank, N.A. - Hong Kong Branch*

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - Hong Kong Branch*

Hungary

Market Added **1992**

Service Provider
Deutsche Bank AG - Hungary Branch

Service Provider Since
2006

JPMSE Lux Contracts With
Deutsche Bank AG - Hungary Branch

Cash Correspondent (Securities Related Activity)
Unicredit Bank Hungary Zrt.

Iceland

Market Added **2001**

Service Provider
Islandsbanki hf.

Service Provider Since
2001

JPMSE Lux Contracts With
Islandsbanki hf.

Cash Correspondent (Securities Related Activity)
Islandsbanki hf.

India

Market Added **1991**

Service Provider
JPMorgan Chase Bank, N.A. - Mumbai Branch*

Service Provider Since
2009

JPMSE Lux Contracts With
JPMorgan Chase Bank, N.A. - Mumbai Branch*

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - Mumbai Branch*

Indonesia

Market Added **1989**

Service Provider
PT Bank HSBC Indonesia

Service Provider Since
2016

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
PT Bank HSBC Indonesia

Ireland

Market Added **1983**

Service Provider
JPMorgan Chase Bank, National Association*

Service Provider Since
N/A

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association*

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Israel

Market Added **1993**

Service Provider
Bank Leumi le-Israel B.M.

Service Provider Since
1993

JPMSE Lux Contracts With
Bank Leumi le-Israel B.M.

Cash Correspondent (Securities Related Activity)
Bank Leumi le-Israel B.M.

Italy

Market Added **1979**

Service Provider
BNP Paribas Securities Services, Milan Branch

Service Provider Since
2010

JPMSE Lux Contracts With
BNP Paribas Securities Services, Milan Branch

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Japan

Market Added **1974**

Service Provider
Mizuho Bank, Ltd.†

Service Provider Since
1996

JPMSE Lux Contracts With
Mizuho Bank, Ltd.†

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - Tokyo Branch*

Japan

Market Added **1974**

Service Provider
MUFG Bank, Ltd.†

Service Provider Since
1988

JPMSE Lux Contracts With
MUFG Bank, Ltd.†

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - Tokyo Branch*

Jordan

Market Added **1988**

Service Provider
Standard Chartered Bank - Amman

Service Provider Since
2014

JPMSE Lux Contracts With
Standard Chartered Bank - Amman

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank - Amman

Kazakhstan

Market Added **1998**

Service Provider
Citibank Kazakhstan Joint Stock Company

Service Provider Since
2014

JPMSE Lux Contracts With
J.P. Morgan SE* *(who in turn appoint Citibank Kazakhstan Joint Stock Company)*

Cash Correspondent (Securities Related Activity)
Citibank Kazakhstan Joint Stock Company

Kenya

Market Added **1994**

Service Provider
Standard Chartered Bank Kenya Limited

Service Provider Since
2010

JPMSE Lux Contracts With
Standard Chartered Bank

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank Kenya Limited

Kuwait

Market Added **2006**

Service Provider
HSBC Bank Middle East Limited (Kuwait Branch)

Service Provider Since
2006

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
HSBC Bank Middle East Limited (Kuwait Branch)

Latvia

Market Added **1997**

Service Provider
Clearstream Banking S.A. *(in its capacity as ICSD)*

Service Provider Since
2019

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association* *(who in turn appoint Clearstream Banking S.A.)*

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Lithuania

Market Added **1997**

Service Provider
Clearstream Banking S.A. *(in its capacity as ICSD)*

Service Provider Since
2019

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association* *(who in turn appoint Clearstream Banking S.A.)*

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Luxembourg

Market Added **1984**

Service Provider
Clearstream Banking S.A. *(in its capacity as ICSD)*

Service Provider Since
2021

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association* *(who in turn appoint Clearstream Banking S.A.)*

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Malawi

Market Added **2011**

Service Provider
Standard Bank PLC

Service Provider Since
2011

JPMSE Lux Contracts With
The Standard Bank of South Africa Ltd.

Cash Correspondent (Securities Related Activity)
Standard Bank PLC

Malaysia

Market Added **1986**

Service Provider
HSBC Bank Malaysia Berhad

Service Provider Since
1997

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
HSBC Bank Malaysia Berhad

Mauritius

Market Added **1994**

Service Provider
The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Service Provider Since
1994

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Mexico

Market Added **1981**

Service Provider
Banco Nacional De Mexico, S.A. Integrante Del Grupo Financiero Banamex

Service Provider Since
1989

JPMSE Lux Contracts With
Banco Nacional De Mexico, S.A. Integrante Del Grupo Financiero Banamex

Cash Correspondent (Securities Related Activity)
Banco Santander (Mexico) S.A. Institucion de Banca Multiple, Grupo Financiero SM

Morocco

Market Added **1993**

Service Provider
Société Générale Marocaine de Banques

Service Provider Since
2008

JPMSE Lux Contracts With
Societe Generale SA

Cash Correspondent (Securities Related Activity)
Attijariwafa Bank

Namibia

Market Added **1996**

Service Provider
Standard Bank Namibia Limited

Service Provider Since
1996

JPMSE Lux Contracts With
The Standard Bank of South Africa Ltd.

Cash Correspondent (Securities Related Activity)
The Standard Bank of South Africa Ltd.

Netherlands

Market Added **1974**

Service Provider
BNP Paribas Securities Services SCA
Direct Relationship with Depository

Service Provider Since
2009
2017

JPMSE Lux Contracts With
BNP Paribas Securities Services SCA

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

For DIRECT Relationship with Depository, Accounts at the CSD are held by JPMSE Lux operated through BNP Paribas Securities Services SCA

New Zealand

Market Added **1986**

Service Provider
JPMorgan Chase Bank, N.A. - New Zealand Branch*

Service Provider Since
2011

JPMSE Lux Contracts With
JPMorgan Chase Bank, N.A. - New Zealand Branch*

Cash Correspondent (Securities Related Activity)
ANZ Bank New Zealand Limited
JPMorgan Chase Bank, N.A. - New Zealand Branch* *(for clients utilizing J.P. Morgan's domestic solution)*.

Nigeria

Market Added **1998**

Service Provider
Stanbic IBTC Bank Plc

Service Provider Since
1998

JPMSE Lux Contracts With
The Standard Bank of South Africa Ltd.

Cash Correspondent (Securities Related Activity)
Stanbic IBTC Bank Plc

Norway

Market Added **1982**

Service Provider
Skandinaviska Enskilda Banken AB

Service Provider Since
2021

JPMSE Lux Contracts With
Skandinaviska Enskilda Banken AB

Cash Correspondent (Securities Related Activity)
Nordea Bank Abp

Oman

Market Added **1996**

Service Provider
HSBC Bank Oman SAOG

Service Provider Since
1996

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
HSBC Bank Oman SAOG

Pakistan

Market Added **1991**

Service Provider
Standard Chartered Bank (Pakistan) Limited

Service Provider Since
1992

JPMSE Lux Contracts With
Standard Chartered Bank (Pakistan) Limited

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank (Pakistan) Limited

Panama

Market Added **2020**

Service Provider
Citibank, N.A. Panama Branch

Service Provider Since
2020

JPMSE Lux Contracts With
Citibank, N.A. Panama Branch

Cash Correspondent (Securities Related Activity)
Citibank, N.A. Panama BranchMarket Added **1992**

Peru

Service Provider
Citibank del Perú S.A.

Service Provider Since
1992

JPMSE Lux Contracts With
Citibank del Perú S.A.

Cash Correspondent (Securities Related Activity)
Citibank del Perú S.A.

Philippines

Market Added **1978**

Service Provider
The Hongkong and Shanghai Banking Corporation Limited – Philippine Branch

Service Provider Since
1986

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
The Hongkong and Shanghai Banking Corporation Limited – Philippine Branch

Poland

Market Added **1993**

Service Provider
Bank Handlowy w. Warszawie S.A.

Service Provider Since
1993

JPMSE Lux Contracts With
Bank Handlowy w. Warszawie S.A.

Cash Correspondent (Securities Related Activity)
mBank S.A.

Portugal

Market Added **1985**

Service Provider
BNP Paribas Securities Services SCA

Service Provider Since
2010

JPMSE Lux Contracts With
BNP Paribas Securities Services SCA

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Qatar

Market Added **2004**

Service Provider
HSBC Bank Middle East Limited (Qatar Branch)

Service Provider Since
2004

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
The Commercial Bank (P.Q.S.C.)

Romania

Market Added **1997**

Service Provider
Citibank Europe plc, Dublin – Romania Branch

Service Provider Since
2014

JPMSE Lux Contracts With
Citibank Europe plc, Dublin – Romania Branch

Cash Correspondent (Securities Related Activity)
ING Bank N.V.

Russia

Market Added **1995**

Service Provider
Commercial Bank J.P. Morgan Bank International (Limited Liability Company)*

Service Provider Since
1995

JPMSE Lux Contracts With

Commercial Bank J.P. Morgan Bank International (Limited Liability Company)*

Cash Correspondent (Securities Related Activity)
Commercial Bank J.P. Morgan Bank International (Limited Liability Company)* JPMorgan Chase Bank, National Association*

Saudi Arabia

Market Added **2006**

Service Provider
J.P. Morgan Saudi Arabia Company*

Service Provider Since
2018

JPMSE Lux Contracts With
J.P. Morgan Saudi Arabia Company*

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - Riyadh Branch*

Serbia

Market Added **2005**

Service Provider
UniCredit Bank Serbia JSC Belgrade

Service Provider Since
2005

JPMSE Lux Contracts With
UniCredit Bank Serbia JSC Belgrade

Cash Correspondent (Securities Related Activity)
UniCredit Bank Serbia JSC Belgrade

Singapore

Market Added **1974**

Service Provider
DBS Bank Ltd

Service Provider Since
2006

JPMSE Lux Contracts With
DBS Bank Ltd

Cash Correspondent (Securities Related Activity)
Oversea-Chinese Banking Corporation

Slovak Republic

Market Added **1995**

Service Provider
UniCredit Bank Czech Republic and Slovakia, a.s. Pobocka Zahranicnej Banky

Service Provider Since
2003

JPMSE Lux Contracts With
UniCredit Bank Czech Republic and Slovakia, a.s. Pobocka Zahranicnej Banky

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Slovenia

Market Added **1997**

Service Provider
UniCredit Banka Slovenija d.d.

Service Provider Since
1997

JPMSE Lux Contracts With
UniCredit Banka Slovenija d.d.

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

South Africa

Market Added **1993**

Service Provider
FirstRand Bank Limited

Service Provider Since
2006

JPMSE Lux Contracts With
FirstRand Bank Limited

Cash Correspondent (Securities Related Activity)
The Standard Bank of South Africa Limited

South Korea

Market Added **1992**

Service Provider
Standard Chartered Bank Korea Limited†

Service Provider Since
1992

JPMSE Lux Contracts With
Standard Chartered Bank Korea Limited†

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank Korea Limited†

South Korea

Market Added **1992**

Service Provider
Kookmin Bank Co. Ltd.†

Service Provider Since
2015

JPMSE Lux Contracts With
Kookmin Bank Co. Ltd.†

Cash Correspondent (Securities Related Activity)
Kookmin Bank Co. Ltd.†

Service Provider **Service Provider Since**

Spain

Market Added **1974**

CACEIS Bank Spain, S.A.U. 2002

JPMSE Lux Contracts With
CACEIS Bank Spain, S.A.U.

Cash Correspondent (Securities Related Activity)
J.P. Morgan SE*

Sri Lanka

Market Added **1991**

Service Provider **Service Provider Since**
The Hongkong and Shanghai Banking Corporation Limited (Sri Lanka Branch) 1991

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
The Hongkong and Shanghai Banking Corporation Limited (Sri Lanka Branch)

Sweden

Market Added **1978**

Service Provider **Service Provider Since**
Skandinaviska Enskilda Banken AB 2021

JPMSE Lux Contracts With
Skandinaviska Enskilda Banken AB

Cash Correspondent (Securities Related Activity)
Svenska Handelsbanken

Switzerland

Market Added **1978**

Service Provider **Service Provider Since**
UBS Switzerland AG 1978

JPMSE Lux Contracts With
UBS Switzerland AG

Cash Correspondent (Securities Related Activity)
UBS Switzerland AG

Taiwan

Market Added **1991**

Service Provider **Service Provider Since**
JPMorgan Chase Bank, N.A. – Taipei Branch* 1991

JPMSE Lux Contracts With
JPMorgan Chase Bank, N.A. – Taipei Branch*

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. – Taipei Branch*

Tanzania

Market Added **2012**

Service Provider
Stanbic Bank Tanzania Limited

Service Provider Since
2012

JPMSE Lux Contracts With
Stanbic Bank Tanzania Limited

Cash Correspondent (Securities Related Activity)
Stanbic Bank Tanzania Limited
Clients may be required to upgrade certain clauses in their existing agreement prior to entry

Thailand

Market Added **1984**

Service Provider
Standard Chartered Bank (Thai) Public Company Limited

Service Provider Since
1990

JPMSE Lux Contracts With
Standard Chartered Bank

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank (Thai) Public Company Limited

Tunisia

Market Added **1993**

Service Provider
Union Internationale de Banques

Service Provider Since
2019

JPMSE Lux Contracts With
Union Internationale de Banques

Cash Correspondent (Securities Related Activity)
Banque Internationale Arabe de Tunisie S.A.

Turkey

Market Added **1989**

Service Provider
Citibank A.S.

Service Provider Since
2003

JPMSE Lux Contracts With
Citibank A.S.

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. Istanbul Branch

Uganda

Market Added **2010**

Service Provider
Standard Chartered Bank Uganda Limited

Service Provider Since
2010

JPMSE Lux Contracts With
Standard Chartered Bank

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank Uganda Limited

Ukraine

Market Added **1999**

Service Provider
Joint Stock Company "Citibank"

Service Provider Since
2014

JPMSE Lux Contracts With
Joint Stock Company "Citibank"

Cash Correspondent (Securities Related Activity) JPMorgan Chase Bank, National Association*
Joint Stock Company "Citibank"
Restricted Service only. Please contact your Relationship Manager for further information.

United Arab Emirates

Market Added **2001**

Service Provider
HSBC Bank Middle East Limited (United Arab Emirates Branch)

Service Provider Since
2001

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
First Abu Dhabi Bank P.J.S.C.
DFM Exchange opened in 2001, NASDAQ Dubai was added in 2006 followed by ADX in 2007

United Kingdom

Market Added **1974**

Service Provider
JPMorgan Chase Bank, National Association*

Service Provider Since
N/A

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association*

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - London Branch*

United Kingdom

Market Added **1974**

Service Provider
Deutsche Bank AG - London

Service Provider Since
2006

JPMSE Lux Contracts With
Deutsche Bank AG - London

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, N.A. - London Branch*
For Physical Certificates of Deposit only

United States

Market Added **N/A**

Service Provider
JPMorgan Chase Bank, National Association*

Service Provider Since
N/A

JPMSE Lux Contracts With
JPMorgan Chase Bank, National Association*

Cash Correspondent (Securities Related Activity)
JPMorgan Chase Bank, National Association*

Uruguay

Market Added **1992**

Service Provider
Banco Itaú Uruguay S.A.

Service Provider Since
1993

JPMSE Lux Contracts With
Banco Itaú Uruguay S.A.

Cash Correspondent (Securities Related Activity)
Banco Itaú Uruguay S.A.

Vietnam

Market Added **2001**

Service Provider
HSBC Bank (Vietnam) Ltd.

Service Provider Since
2001

JPMSE Lux Contracts With
The Hongkong and Shanghai Banking Corporation Limited

Cash Correspondent (Securities Related Activity)
HSBC Bank (Vietnam) Ltd.

WAEMU

(Ivory Coast, Benin, Burkina Faso, Guinea Bissau, Mali, Niger, Senegal and Togo)

Market Added **1996**

Service Provider
Standard Chartered Bank Côte d'Ivoire S.A.

Service Provider Since
2012

JPMSE Lux Contracts With
Standard Chartered Bank

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank Côte d'Ivoire S.A.
Clients may be required to upgrade certain clauses in their existing agreement prior to entry

Zambia

Market Added **1994**

Service Provider
Standard Chartered Bank Zambia Plc

Service Provider Since
2010

JPMSE Lux Contracts With
Standard Chartered Bank

Cash Correspondent (Securities Related Activity)
Standard Chartered Bank Zambia Plc

Zimbabwe

Market Added **1994**

Service Provider
Stanbic Bank Zimbabwe Limited

Service Provider Since
2012

JPMSE Lux Contracts With
The Standard Bank of South Africa Ltd.

Cash Correspondent (Securities Related Activity)
Stanbic Bank Zimbabwe Limited
Clients may be required to upgrade certain clauses in their existing agreement prior to entry

International Central Securities Depositories

JPMSE Lux uses Euroclear Bank S.A./N.V. (Euroclear) and Clearstream Banking Luxembourg S.A. (Clearstream) in their capacity as International Securities Depositories (ICSDs). Where clients elect to settle transactions through Euroclear or Clearstream, clients are directed to the Security Depository provisions laid out in their Global Custody Agreement(s). Accounts at the ICSD are held in the name of JPMorgan Chase Bank, National Association.

INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

For the following Sub-Funds no notification within the meaning of Section 310 of the Investment Code (Kapitalanlagegesetbuch – KAGB) has been made, and Shares in such Sub-Funds may not be distributed to investors in the Federal Republic of Germany:

SANTANDER AM LATIN AMERICAN FIXED INCOME
SANTANDER ACTIVE PORTFOLIO 1
SANTANDER ACTIVE PORTFOLIO 2
SANTANDER CORPORATE COUPON
SANTANDER SUBORDINATED FIXED INCOME

1. The paying agent and information agent in the Federal Republic of Germany is Santander Bank, a branch of Santander Consumer Bank AG, Santander Platz 1, 41061 Mönchengladbach, registered with the commercial register of the local court (Amtsgericht) of Mönchengladbach under registration number HRB 1747 (the German Paying and Information Agent).

2. Redemption requests for Shares that may be distributed in the Federal Republic of Germany may be submitted to the German Paying and Information Agent. Redemption proceeds, dividends (if any) and any other payments to the investors may be processed via the German Paying and Information Agent.

3. The prospectus, the key investor information, the Articles of Incorporation and the annual and half-yearly reports are available free of charge in hardcopy form solely for inspection at the German Paying and the Information Agent as well.

4. The subscription and redemption prices may be obtained free of charge at the German Paying and Information Agent on each bank business day. Further, the subscription, conversion and redemption prices will be published on each Luxembourg bank business day on http://www.santanderassetmanagement.com

5. Any notifications to the investors will be available at the German Paying and Information Agent and on http://www.santanderassetmanagement.com

Specific risks arising for Germany from tax-related obligations to provide evidence:
The Management Company will, upon request, be obliged to provide evidence to the German tax authorities, e.g. in order to show proof of the correctness of the publicised basis of taxation. The principles for the calculation of such information may be interpreted in different ways, and no assurance can be given to the effect that the German tax authorities will acknowledge in any material respect the methods applied by the Management Company for purposes of the calculation. Further, investors should be aware that a correction will, in general, not be implemented for the past, should mistakes become discernible for the past, but, as a matter of principle, only for the ongoing financial year. Accordingly, the correction may burden or favour those investors who have received a dividend, or have been ascribed a reinvestment amount, in the ongoing financial year.

Additional Information for Investors in Germany

New Investment Fund Tax Regime effective since 1st January 2018

The Investment Tax Reform Act published in the federal gazette on 26 July 2016 fundamentally changes the German investment taxation. Since 1st January 2018 the previously known transparent tax regime was replaced by an opaque tax regime for any investment vehicle within the meaning of the German Capital Investment Code.

Under the opaque tax regime a German tax reporting towards the investors (annual tax reporting for distribution and/or deemed distribution as well as daily tax reporting) will not be required any longer.

Since 1st January 2018 German investors are in general taxed on

- each distribution received in the respective calendar year, plus
- a yearly pre-lump sum amount
- capital gains realized by the disposal of fund units or shares

The yearly pre-lump sum amount is of importance for accumulating funds, as the concept is comparable to the previous deemed distributed income and is aiming at the avoidance of tax deferral; for distributing funds it represents the annual minimum tax base.

In order to compensate for the newly introduced taxation income on fund level partial tax exemptions are granted on investor level depending on fund type and investor type:

Fund classification	Requirements	Partial tax exemption Rates		
		Private Investors	Individual holding investment units as business assets	Corporate investors
Mixed Fund	At least 25% of the value of an investment fund is continuously invested in equity assets	15%	30%	40%
Equity Fund	At least 51% of the value of an investment fund is continuously invested in equity assets	30%	60%	80%
German Real Estate Fund	At least 51% of the value of an investment fund is continuously invested in German real estate and real estate companies		60%	
Non-German Real Estate Fund	At least 51% of the value of an investment fund is continuously invested in non-German real estate and real estate companies		80%	

For each Sub-Fund the equity participation as defined in sec. 2 para 8 German Investment Tax Act (2018) for the partial tax exemption for equity and mixed funds for German resident investors will be stated in the Prospectus.

The information given in this section is only a high-level summary of certain aspects of the German Taxation System, based on the law and official guidance currently available and subject to change. The information is not intended be exhaustive and does not constitute legal or tax advice.