Santander Asset Management

Santander Select Defensive

Marketing Communication

9 / 2026

Fund commentary

September was characterized by a more volatile market environment, shaped by geopolitical tensions in the Middle East, rising energy prices and a more hawkish stance from the major central banks. Both the ECB and the Fed raised their policy rates by 25 bps, while stronger-than-expected economic data reinforced the perception of a still-resilient global economy. Against this backdrop, government bond yields rose sharply, particularly in the US and at the front end of the curves, weighing on the main fixed income markets.

Equity markets experienced some profit-taking during the month, although the US outperformed Europe on a relative basis. Against a backdrop of heightened uncertainty at the beginning of the month, we implemented a hedging strategy on the S&P 500 to partially protect the portfolio against potential episodes of increased market volatility. Subsequently, taking advantage of the relative strength of the US market, we carried out a regional rotation, reducing our exposure to Europe and reallocating the same amount to the US. Finally, we added an upside optionality strategy on the S&P 500, preserving the portfolio's ability to participate in a potential market recovery. As a result of these adjustments, we ended September with an equity exposure of 20.6%, approximately 1 percentage point higher than at the end of the previous month.

The sharp rise in government bond yields created a particularly challenging environment for fixed income markets. Against this backdrop, we actively managed duration, primarily through options, with the aim of limiting the risks associated with interest rate movements. We increased duration through calls on the Bund, while in the US we tactically replaced part of our exposure through 10-year US Treasury futures with calls on the same underlying, seeking to retain exposure to a potential bond market recovery while maintaining a more contained risk profile. Following these adjustments, we ended the month with a total portfolio duration of 3.12 years, broadly in line with the previous month-end.

This document has been prepared by Santander Asset Management Luxembourg S.A. in relation to one or more Luxembourg undertakings for collective investment in transferable securities ("UCITS") under its management, under and in accordance with the UCITS Directive, and is provided solely in confidence for the recipient for the specific purpose of evaluating a potential investment or an existing investment in a UCITS managed by Santander Asset Management Luxembourg S.A.

This document is a marketing communication. Please refer to the prospectus of the UCITS and to the key information document ("KID") or for UK investors the key investor information document ("KIID") before making any final investment decisions, purchasing or converting shares or redeeming investments, together with the list of countries where the UCITS is registered for sale, available at www.santanderassetmanagement.lu or via authorized intermediaries in your country of residence.

This document is intended to provide information that summarizes the main characteristics of the UCITS and under no circumstances constitutes a contractual agreement or an information document required by any legislative provision. It is not a recommendation, personalized investment advice, an offer or solicitation to buy or sell any shares in the UCITS described in this document. Likewise, the distribution of this document to a client, or to a third party, should not be regarded as a provision or an offer of investment advisory services.

The UCITS described in this document may not be notified and registered for marketing in all EEA Member States under the UCITS Directive marketing passport and Santander Asset Management Luxembourg S.A and/or the UCITS has the right to terminate the arrangements made for marketing of the UCITS in certain jurisdictions and to certain investors in accordance with applicable laws and regulations, including the UCITS Directive provisions.

It has not been proven that the data contained in this document meet marketing requirements of all countries of sale. The UCITS described in this document may not be eligible for sale or distribution in certain jurisdictions or to certain categories or types of investors. This UCITS may not be directly or indirectly offered or sold to or for the benefit of a United States Person under FATCA regulation (Foreign Account Tax Compliance Act), in line with the selling restrictions of the prospectus of the UCITS.

Past performance does not predict future returns. The returns may increase or decrease as a result of currency fluctuations relative to the respective investors' currency.

Investment in the UCITS may be subject to investment risks, including but not limited to, market risk, credit risk, issuer and counterparty risk, liquidity risk, foreign currency risk and, where applicable, risks pertaining to emerging markets. Additionally, if the funds hold investments in hedge funds, real estate funds, commodities and private equity, it should be noted that these can be subject to valuation and operational risks inherent in this type of assets and markets as well as the risk of fraud or risk derived from investing in unregulated or unsupervised markets or unlisted assets. Complete information on the risks can be found in the relevant "Risk Factors" section of the UCITS prospectus and KID (or KIID for UK investors), which should be consulted and read by the investors.

This UCITS has a prospectus (which is drafted in English), a KID (drafted in English and other languages depending on the country of registration of the UCITS) and a KIID for UK investors (drafted in English), which can be obtained from www.santanderassetmanagement.lu

For product information, please contact Santander Asset Management Luxembourg S.A. (43, Avenue John F. Kennedy L-1855 Luxembourg - Grand Duchy of Luxembourg), management company of the UCITS under the supervision of the Commission de Surveillance du Secteur Financier (CSSF). The depositary and administrator of the UCITS is CACEIS Bank, Luxembourg Branch (5, Allée Scheffer, L-2520 Luxembourg - Grand Duchy of Luxembourg).

Prior to investment in the UCITS it is advisable that the investor seeks personalized advice regarding taxation as it depends on the individual circumstances of each investor and may change in the future.

Investors can obtain a summary of investor rights in English from www.santanderassetmanagement.lu

Information herein is believed to be reliable. Santander Asset Management Luxembourg S.A. assumes no responsibility for any use of the information contained herein.

© Santander Asset Management Luxembourg S.A. All Rights Reserved.