



# Section 172(1) Statement

## Governance framework

The Company is part of Banco Santander S.A. (the “Group”), and as such it follows a range of group-wide policies, in place to protect employees and provide a safe working environment, to ensure compliance with all regulatory requirements and adherence to the highest professional and ethical standards in dealing with clients and end customers, suppliers and colleagues, and to ensure that it continues to operate in a socially responsible and compliant manner and manages environmental sustainability. In doing so, and by balancing the interests of the Company’s stakeholders when making decisions, the Board seeks to maintain a reputation for high standards of business conduct.

The Company operates within a Group and local governance framework which places emphasis on the formal delegation of the day-to-day management. Whilst the Board remains responsible for the Company’s long-term success, collective responsibility for the overall strategic direction, operation of the division has been formally delegated by the Board to the CEO. The CEO is responsible for the day-to-day management of the business in accordance with the authority delegated by the Board. To support the CEO in the management of the day-to-day affairs of the business, the Executive Committee (“ExCo”) has been established to assist, advise and make recommendations.

Throughout the year, both generally and in relation to specific matters, the Board has had regard to the interests of all its stakeholders and has engaged with them in a range of direct and indirect ways. The table below sets out in more detail the ways in which the Board has engaged with the key stakeholders it has identified during the financial year, how the Directors have displayed regard to customers, employees and others, and the effect of that regard, including on principal decisions taken throughout the year, as well as matters set out in s.172 (1)(a)-(f) when discharging their duties under s.172 of the Act.

Stakeholder(s)	How the board has directly (or indirectly through its established governance framework) engaged and considered stakeholder interests:
Consequences of any decision in the long term	<p>The Board is collectively responsible for managing the affairs of the Company to achieve its long-term prosperity by making important decisions. When making decisions the Board seeks to understand the impact on each of its stakeholders, including the likely consequences of a decision in the long term, while acknowledging that a decision will not necessarily be favourable for all stakeholders.</p> <p>In 2024, the Board continued to support the decisions made in 2023 and saw progress most notably on the following, which are in line with the long-term strategy of the Company:</p> <ul style="list-style-type: none"> <li>• Appointment of a new CEO for the business and oversight of the transition from the previous CEO.</li> <li>• Appointment of a COO, as part of the restructuring of the first and second lines of the business, with consolidated first line activities falling under the newly created COO role.</li> <li>• Restructuring of the ExCo to facilitate decision making and strategic development of the business.</li> <li>• Rightsizing of the business to create a more efficient operation.</li> <li>• Growth of the institutional distribution team and the further development and progress of the rollout of the Company's institutional strategy.</li> <li>• Successful roll out of the Company's first Taskforce on Climate-Related Financial Disclosures (TCFD) reporting across the funds managed by the Company and relating to the business itself.</li> <li>• Close engagement on the Company's first Consumer Duty report and actions arising as a result.</li> </ul>
Employees	<p>The Board recognises that the Company's culture and values underpin the effective delivery of its strategy and the importance of the contribution made by employees, who deliver the highest levels of service for clients and end customers. The Board have worked closely with the ExCo and Human Resources Function with employee engagement and wellbeing as a key focus. Building on the 2023 work to embed the right culture and behaviours within SAM UK, 2024 focussed more on employee engagement and wellbeing.</p> <p>In 2024, the following key actions were carried out:</p>

	<ul style="list-style-type: none"> <li>• Dedicated sessions at the all-employee off-site to focus on engagement survey feedback, agreeing tangible actions for leadership to take forward.</li> <li>• Initiatives to make process efficiencies across the business, to reduce burden of unnecessary workload on employees.</li> <li>• Formation of employee social committee, with scope to arrange a diverse calendar of fun, extra-curricular activities designed to enhance interaction and collaboration between functions.</li> <li>• Established the monthly 'Pulse' meeting to ensure employees were kept informed of business developments and changes via regular face-to-face communications.</li> <li>• Return to Office initiative, underpinned by policy, to increase the amount of face-to-face collaboration time within and between functions.</li> <li>• Corporate behaviours ('TEAMS') continued to be reinforced through training and the performance management framework.</li> <li>• Personal and professional development was supported at a range of levels.</li> <li>• The Employee Assistance Programme helpline was re-launched and support and services from other specialist wellbeing partners was promoted and leveraged, including Unum who provided line manager training.</li> <li>• The Company continued to maintain competitive and effective remuneration arrangements, with good performance being rewarded and established through an annual cycle of review, informed by industry and market insight.</li> <li>• Diversity Equity &amp; Inclusion continued to be a focus for the Company through the Inclusion@SAMUK framework and Inclusion Champion network.</li> <li>• The 2024 Engagement Survey, 'Your Voice', achieved a participation rate of 80% and an overall engagement score of 7.3, an increase of 0.1 in engagement levels compared to 2023 and 0.4 compared to 2022.</li> </ul>
Suppliers	Our business is supported by a number of Outsourced Service Providers and Suppliers. The Board of Directors has oversight of the Third Party Risk Management Framework in place to enable the

	<p>Company to provide ongoing services to clients, end customers and partners. Key components include:</p> <ul style="list-style-type: none"> <li>• The Modern Slavery Statement – The Board annually reviews and approves its statement (which can be found on the Company's website) setting out the steps the Company takes to prevent modern slavery in the business and its supply chains.</li> <li>• Initial and ongoing due diligence and service oversight processes that are in place for all critical outsourced service providers.</li> <li>• The monitoring and analysis of complaints and operational risk events or other incidents and the proactive implementation of actions to minimise the risk of recurrence.</li> </ul>
Customers	<p>Understanding and meeting the needs of clients and end clients is the central focus of SAM UK's business.</p> <p>The Company's priorities and key areas of focus in respect of clients and end customers are to:</p> <p>The Company's priorities and key areas of focus in respect of clients and end customers are to:</p> <ul style="list-style-type: none"> <li>• Maintain strong governance oversight of the Company's products and services, ensuring they remain fit for purpose and are distributed in accordance with their target market.</li> <li>• Deliver a good quality service to end customers.</li> <li>• Deliver investment performance which seeks to consistently meet investment objectives for end customers.</li> <li>• Maintain liquidity of assets, particularly in times of market volatility and / or redemption stress.</li> <li>• Support end customers to understand our products and services to make timely and effective decisions.</li> <li>• Deliver value and good consumer outcomes.</li> </ul> <p>In 2024, as part of its ongoing commitment and in line with its purpose, the Company continued to deliver on its priorities, focusing on providing further value to clients and end customers through:</p> <ul style="list-style-type: none"> <li>• Completion of the merger of SPF Sterling Bond into Sterling Bond Portfolio to improve end customer outcomes.</li> <li>• Taking action to enhance factsheets to support better end customer understanding.</li> </ul>

	<ul style="list-style-type: none"> <li>• Reviewing closed products and proposing changes to improve outcomes, to be implemented in Q1 2025.</li> <li>• Taking further steps to evolve the investment process for specific funds to improve the value proposition.</li> <li>• Completion of the first annual Consumer Duty Board report, concluding that the Company is acting in line with the Consumer Principle and delivering good outcomes.</li> </ul> <p>The Company reviewed and continues to evolve its product strategy to meet changing end customer needs. It continues to evaluate further potential fund merger opportunities where they are in the best interest of the end customers and seek opportunities to create new products and investment solutions to support end customers' investment needs. The Board are closely involved with product strategy discussions, the oversight of product performance, product change, and delivery against the Company's commitments to end customers.</p> <p>The Company continues to embed and reinforce the Consumer Duty Principle across the organisation, with key areas of focus in the coming year being completion of the actions identified to continue to support good outcomes for end customers.</p>
Community and the environment	<p>The Company and wider group are committed to contributing long-term value and making a lasting, positive impact on the society in which they operate and the environment more broadly.</p> <p>The Company has supported charities through fundraising activities, donations and organising staff volunteering activities for all levels of the business. It offers a Give As You Earn service for employees and has implemented the new regulatory disclosures at both Company and product level which came into force in 2024.</p>
Business Conduct	<p>Integrity of systems, controls and business conduct are of paramount importance to SAM UK. The Board is committed to complying with applicable regulation, supporting law enforcement agencies and pro-actively identifying wrongdoing to maintain its trustworthy reputation. The Company maintains an open and transparent relationship with regulators and maintains a reputation for high standards of business conduct which helps the Board ensure that the business is aligned to the evolving regulatory framework.</p>

	<ul style="list-style-type: none"> <li>• The Company monitors suppliers via a third-party risk management system, in order to manage third-party supplier risk.</li> <li>• The Company carries out a mandatory training programme ensuring all employees are aware of the expected standards of business conduct and practice, including modules on financial crime, cybersecurity and conduct.</li> <li>• HR policies and the employee Handbook are reviewed on a bi-annual basis, or as required between reviews, except for the Remuneration Policy and SMCR Policy which were reviewed in 2024 and continue to be reviewed annually.</li> <li>• Ongoing consideration of relevant processes, policies and standards and discussion of regulatory developments, correspondence and interactions as well as consideration of the regulatory horizon occurs at all levels.</li> <li>• As well as the Company adopting its own risk appetite statements as part of its Enterprise Risk Framework (as set out in the ICARA), the Board have also assessed and approved the implementation of SAM Group's Risk Appetite.</li> <li>• The Company maintains a transparent, constructive and proactive relationship with the FCA, and adherence to regulatory compliance and reporting.</li> <li>• The Company has developed and maintains a strong risk and control awareness and culture, through continuous assessment of its operating model and its Risk and Control Self-Assessment process.</li> </ul>
Shareholder	<p>The Company is a wholly owned subsidiary of SAM Investment Holdings S.L. y.SAM Investment Holdings S.L.'s immediate and ultimate parent company is Banco Santander SA.</p> <p>The Board ensures it is acting in accordance with local requirements as well as internally approved governance frameworks, to ensure the Company is acting fairly towards its sole shareholder and maintains a regularly reviewed Dividend Policy.</p>

## Climate Disclosure

The SAM Group is part of the global Net Zero Asset Managers' initiative as part of its commitment to fight climate change. SAM Group is also a member of the IIGCC (International Investors' Group on Climate Change)'s Net Zero Engagement Initiative, which complements engagement actions on climate transition from the Climate Action 100+ initiative. The SAM Group has a full-time dedicated SRI (Socially Responsible Investment) expert team based in Spain. They are responsible for developing and implementing the SAM Group ESG (Environmental, Social and Governance) analysis methodology.

Together with the other SAM Group entities, the Company sets out its approach to sustainable and socially responsible investment that includes the following policies:

- Responsible Banking and Sustainability Policy
- Socially Responsible Investment Policy
- Engagement Policy
- Voting Policy

**Signed by C. L. Waller**

Director

August 2025