

PROSPECTUS OF SANTANDER MANAGED OEIC

**Santander Managed OEIC (PRN: 472664) is
an investment company with variable
capital registered in England and Wales
under registered number IC000587**

14 January 2022

This Prospectus is dated and valid as at 14 January 2022.

This document constitutes the Prospectus for Santander Managed OEIC (the "**Company**") and has been prepared in accordance with the Open-Ended Investment Companies Regulations 2001 and the rules contained in the Collective Investment Schemes Sourcebook and the Investment Funds Sourcebook published by the Financial Conduct Authority as part of its Handbook of Rules and Guidance (together the "**Regulations**").

This Prospectus has been issued for the purpose of section 21(1) of the Financial Services and Markets Act 2000 by the ACD.

Copies of this Prospectus have been sent to the Financial Conduct Authority, the Auditors and the Depositary.

The Prospectus is based on information, law and practice as at the date hereof but where it refers to any statutory provision or regulation this includes any modification or re-enactment that has been made. The Company is not bound by any out of date prospectus and potential investors should check that they have the most recently published prospectus.

Santander Asset Management UK Limited, the authorised corporate director ("**ACD**") of the Company, is responsible for the information contained in this Prospectus and accepts such responsibility accordingly. The ACD has taken all reasonable care to ensure that, to the best of its knowledge and belief, the information in this document does not contain any untrue or misleading statement or omit any matters required by the Regulations to be included in it. No person has been authorised by the Company to give any information or to make any representations in connection with the offering of Shares other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been made by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The Depositary is not responsible for the information contained in this Prospectus and accordingly does not accept any responsibility for such information under the FCA Regulations or otherwise.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Shares are not listed on any investment exchange. Prospective Shareholders should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters and are recommended to consult their own professional advisors concerning the acquisition, holding or disposal of Shares.

The United Kingdom government has enacted legislation enabling it to comply with its obligations in relation to international tax compliance including the United States provisions commonly known as "FATCA". As a result, the Company may need to disclose the name, address, taxpayer identification number and investment information relating to certain Shareholders to HM Revenue & Customs, who may in turn exchange this information with their overseas counterparts in relevant jurisdictions.

By signing the application form to subscribe for Shares, each prospective Shareholder is agreeing to provide information upon request to the Company or its agent. If a Shareholder does not provide the necessary information, the Company may be required to report it to HM Revenue & Customs.

The provisions of the Instrument of Incorporation are binding on all Shareholders (who are taken to have notice of them) and a copy of the Instrument of Incorporation is available on request from the ACD.

All communications in relation to this Prospectus shall be in English.

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DEFINITIONS

“**ACD**” means Santander Asset Management UK Limited, the authorised corporate director and alternative investment manager (“AIF”) of the Company.

“**Act**” means the Financial Services and Markets Act 2000 (as amended).

“**AIFM Directive**” means the Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and Council of 8 June 2011, as amended from time to time.

“**AIFM UK Regulations**” means the Alternative Investment Fund Managers Regulations 2013, as amended or re-enacted from time to time.

“**AIFMD Level 2 Regulations**” means the UK version of Commission delegated regulation (EU) No 231/2013 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision, which is part of UK law by virtue of the EUWA.

“**Approved Bank**” has the meaning ascribed to it in the FCA Regulations.

“**Auditors**” means PricewaterhouseCoopers LLP, or such other company as may be appointed auditors to the Company from time to time.

“**Business Day**” means a day on which the London Stock Exchange is open for business.

“**Class**” means, according to the context, all of the Shares in a single Fund or a particular class of Share related to a single Fund.

“**Client Money**” means money which the ACD holds or receives on behalf of a Shareholder or potential Shareholder which is held separately from the ACD or the Company’s own money.

“**Client Money Rules**” means the client money rules in CASS 7 of the FCA’s Client Asset Sourcebook within the FCA Regulations.

“**Collective Investment Scheme**” means an investment fund used for collective investment by investors. Their money is invested on a pooled basis by an investment manager in return for a fee.

“**COLL Sourcebook**” means the Collective Investment Schemes Sourcebook (or, as appropriate, a chapter or rule thereof) which forms part of the FCA Handbook, as amended, restated or replaced from time to time.

“**Company**” means Santander Managed OEIC.

“**Custodian**” means Bank of New York Mellon London Branch, or such other company as may be appointed custodian of the Company from time to time.

“**Depositary**” means NatWest Trustee and Depositary Services Limited, or such other company as may be appointed depositary of the Company from time to time.

“**EEA State**” means a member state of the European Union and any other state which is at that time a party to the EEA Agreement.

“**Eligible Institution**” has the meaning ascribed to it in the FCA Regulations.

“**EUWA**” means the European Union (Withdrawal) Act 2018.

“**FCA**” means the Financial Conduct Authority.

“**FCA Regulations**” means the FCA’s Handbook of Rules and Guidance.

“Fund” means a sub-fund of the Company, details of which are set out in Appendix 1.

“FUND Sourcebook” means the Investment Funds Sourcebook (or, as appropriate, a chapter or rule thereof) which forms part of the FCA Handbook, as amended, restated or replaced from time to time.

“Instrument of Incorporation” means the instrument of incorporation of the Company, as amended from time to time.

“ISA” means an individual savings account, a form of UK investment which is exempt from tax on its returns.

“OEIC Regulations” means the Open-Ended Investment Companies Regulations 2001, as amended or re-enacted from time to time.

“Net Asset Value” or **“NAV”** means the value of the scheme property of the Company or of any Fund (as the context may require) less the liabilities of the Company (or of the Fund concerned) as calculated in accordance with the Instrument of Incorporation.

“NURS KII” means the key investor information document for each Class.

“PRA” means the Prudential Regulation Authority.

“PRN” means product reference number which can be found on the FCA’s Financial Services Register.

“Register” means the register of Shareholders.

“Regulations” means the OEIC Regulations, the FCA Regulations and the UK AIFM Regime.

“Section” means a numbered section of the main body of this Prospectus.

“Shares” means shares in the capital of the Company, which relate to a particular Class.

“Shareholder” means a holder of Shares.

“Sub-Investment Manager” means a sub-investment manager appointed by the ACD.

“Third Party Bank” means a Client Money banking provider external to the ACD.

“UK AIFM Regime” means the FUND Sourcebook, other rules in the FCA Regulations which, when made, implemented AIFMD, the AIFMD Level 2 Regulations, and the AIFMD UK Regulations.

“UCITS Directive” means the European Parliament and Council Directive of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (No 2009/65/EC), as amended.

“UK CRR” means the UK version of Regulation of the European Parliament and the Council on prudential requirements for credit institutions and investment firms (Regulation (EU) No 575/2013) and amending Regulation (EU) No 648/2012, which is part of UK law by virtue of the EUWA.

“Valuation Point” means 12noon UK time on each Business Day in each calendar month.

Terms (other than those defined above) which are defined in the glossary section of the FCA Regulations have the same meaning, unless the context otherwise requires, when used in this Prospectus.

1. THE COMPANY AND ITS FUNDS

1.1 The Company

Santander Managed OEIC is an open-ended investment company with variable capital incorporated in England and Wales under registered number IC000587 and authorised and regulated by the FCA with effect from 30 October 2007 with Product Reference Number: 472664. Please note that approval by the FCA in this context refers only to approval under the OEIC Regulations 2001 and does not in any way indicate or suggest endorsement or approval of the Funds as an investment.

1.2 Head Office

The head office of the Company is 287 St. Vincent Street, Glasgow G2 5NB, United Kingdom. This is also the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

1.3 Share Capital

The maximum Share capital of the Company is £100 billion and the minimum Share capital of the Company is £100. Shares have no par value and therefore the Share capital of the Company at all times equals its Net Asset Value.

Shareholders are not liable for the debts of the Company.

1.4 Base Currency

The base currency of the Company is Pounds Sterling. However, the Company has the power to issue one or more Classes denominated in a currency other than Pounds Sterling, subject to and in accordance with the FCA Regulations.

2. COMPANY STRUCTURE

The Company is a non-UCITS retail scheme and a UK alternative investment fund for the purposes of the UK AIFM Regime and structured as an umbrella company under the Regulations. Provision exists for an unlimited number of Funds and each Fund would be a non-UCITS retail scheme if it were itself an investment company with variable capital in respect of which an authorisation order made by the FCA were in force.

The assets of each Fund are treated as separate from those of every other Fund and are invested in accordance with that Fund's own investment objective and policy. In addition, each Fund may have more than one Class allocated to it. Where a new Fund or Class is established, an updated prospectus will be prepared setting out the relevant information concerning the new Fund or Class.

The Shares of each Class allocated to a Fund will rank equally except for the level of fees and expenses to be charged and the minimum subscription and holding.

The Funds in which Shares are currently available are:

- (i) Santander Sterling Bond Portfolio;
- (ii) Santander Max 50% Shares Portfolio;
- (iii) Santander Max 70% Shares Portfolio;
- (iv) Santander Max 100% Shares Portfolio;
- (v) Santander Atlas Portfolio 6; and
- (vi) Santander Enhanced Income Portfolio.

Details of each Fund, including its investment objective and policy, are set out in Appendices 1, 2 and 3. Investment of the assets of each Fund must comply with the COLL Sourcebook and the investment objective and policy of the relevant Fund.

Each Fund has a specific portfolio of assets and investments to which its assets and liabilities are attributable and potential investors should view each Fund as a separate investment entity.

The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

While the provisions of the OEIC Regulations, and section 261P (segregated liability in relation to umbrella co-ownership schemes) of the Act in the case of co-ownership schemes, provide for segregated liability between sub-funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to regulations 11A and 11B of the OEIC Regulations or, as the case may be, section 261P of the Act.

Each Fund is charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund and within the Funds charges are allocated between Classes in accordance with the terms of issue of those Classes.

Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which is fair to Shareholders as a whole, but will normally be allocated to all Funds pro rata to the Net Asset Value of each Fund.

Please also see Section 21.16 titled "Liabilities of the Company and the Funds".

2.1 Investment Objectives and Policies of the Funds

The investment objective and policy of each Fund is set out in Appendix 1.

2.2 Investment Powers and Safeguards

The assets of each Fund are invested with the aim of achieving the investment objective and policy of that Fund. They must be invested so as to comply with the investment and borrowing powers and restrictions set out in the FCA Regulations, the Instrument of Incorporation and this Prospectus.

A summary of the investment powers and safeguards applicable to each Fund is set out in Appendix 2.

Each of the Funds is designed and managed to support longer-term investment and active trading is discouraged. Short-term or excessive trading into and out of a Fund may harm performance by disrupting portfolio management strategies and by increasing costs. The ACD may at its discretion refuse to accept applications for or switching of Shares, especially where transactions are deemed disruptive, particularly from possible market timers or investors who, in its opinion, have a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the relevant Fund(s). For these purposes the ACD may consider an investor's trading history in the Funds or other funds managed by the ACD and accounts under common ownership or control.

2.3 ISA Qualification

The Company's policy for achieving the investment objective of certain Funds includes ensuring that Shares in certain Funds are and remain qualifying investments for the purpose of the Individual Savings Account Regulations 1998 (as amended).

2.4 Investor Profile

The Funds are currently available to retail and institutional investors. Retail investors may only invest in a Fund through authorised intermediaries such as fund platforms, nominees or a financial advisor.

Santander Sterling Bond Portfolio, Santander Max 50% Shares Portfolio, Santander Max 70% Shares Portfolio, Santander Max 100% Shares Portfolio and Santander Atlas Portfolio 6 may be appropriate for investors seeking a combination of capital growth and income. Santander Enhanced Income Portfolio may be appropriate for investors seeking income with the potential for capital growth. The Funds are not suitable as a short-term investment as they are likely to demonstrate short-term volatility, and investors should be looking to invest for a minimum period of five years. Investors must be prepared to accept the risk of capital loss that comes with an investment in a Fund.

Further Funds may be added to the Company in due course which may be aimed at a different category of investor depending on the nature of the Fund.

3. SHARES

3.1 Classes within the Funds

Fund	Classes
Santander Sterling Bond Portfolio	R Accumulation Shares
Santander Max 50% Shares Portfolio	R Accumulation Shares R Income Shares S Accumulation Shares
Santander Max 70% Shares Portfolio	R Accumulation Shares S Accumulation Shares
Santander Max 100% Shares Portfolio	R Accumulation Shares S Accumulation Shares
Santander Atlas Portfolio 6	I Accumulation Shares
Santander Enhanced Income Portfolio	I Income Shares I Accumulation Shares

Income attributable to income Shares is distributed to Shareholders in respect of each accounting period. Income attributable to accumulation Shares is automatically added to (and retained as part of) the capital assets of the relevant Fund at the end of each interim and / or annual accounting period and is reflected in the relevant Share price.

Currently S Classes are exclusively for investors who are:

- (i) part of the Santander Select segment or have Santander 123 World accounts; and
- (ii) have been advised on their investment in the relevant Fund via the Santander branch network on or after 23 February 2015.

Subscription for S Classes is currently only available to existing holders of S Shares - i.e. Shareholders who made their initial investment in an S Class may make further transactions into this S Class or that of another Fund without advice, provided they continue to be part of the Santander Select segment or have 123 World accounts. The criteria for accessing S Classes may be waived by the ACD to include other groups of investors within the Santander UK Plc group at its discretion.

All transactions other than those carried out on an advisory basis through the Santander branch network

will be invested into the relevant existing R or I Class, as appropriate.

Each Class may attract different charges and expenses and so monies may be deducted from the scheme property attributable to such Classes in unequal proportions. In these circumstances, the proportionate interests of the Classes within a Fund will be adjusted accordingly.

Further Classes may be established from time to time by the ACD with the agreement of the Depositary, and where relevant the approval of the FCA, and in accordance with the Instrument of Incorporation. On the introduction of any new Fund or Class, a revised prospectus will be prepared as soon as reasonably practical, setting out the details of such new Fund or Class.

4. MANAGEMENT AND ADMINISTRATION

4.1 Authorised Corporate Director

The ACD of the Company is Santander Asset Management UK Limited, which is a private company limited by shares incorporated in Scotland on 14 September 1987 under registration number 106669. The ultimate holding company of the ACD is Banco Santander, S.A., which is incorporated in Spain.

4.2 Registered Office

The registered office of the ACD is at 287 St. Vincent Street, Glasgow G2 5NB, United Kingdom. This is also the address in the United Kingdom for service on the ACD of notices or other documents required or authorised to be served on it.

4.3 Head Office

The head office of the ACD is at 287 St. Vincent Street, Glasgow G2 5NB, United Kingdom.

4.4 Issued Share Capital

The issued share capital of the ACD is 15,000,000 ordinary shares, which have been fully paid up.

4.5 Regulatory Authority

The ACD is authorised and regulated by the FCA of 12 Endeavour Square, London E20 1JN, United Kingdom, and is authorised to carry on investment business in the United Kingdom.

4.6 Terms of Appointment of the ACD

The appointment of the ACD was made under an agreement dated 30 October 2007 between the Company and the ACD, as subsequently restated on 21 December 2017 (the "**ACD Agreement**"), a copy of which will be provided to any Shareholder on request.

The ACD is responsible for managing and administering the Company's affairs in compliance with the FCA Regulations. Under the terms of the ACD Agreement, the ACD provides investment management services in respect of the Funds. The ACD also provides administrative, accounting and secretarial and registrar services to the Company. The ACD may delegate these functions, as well as its function as registrar and the fund accounting and pricing functions. No separate registrars fee is payable to the ACD for its services to the Company.

The ACD has delegated certain aspects of the following administration functions to FNZ TA Services Limited, which is authorised and regulated by the FCA (firm reference number 438687):

- (i) customer enquiries;
- (ii) tax returns;
- (iii) maintenance of the Register;

- (iv) distribution of income;
- (v) issues and redemptions of Shares;
- (vi) contract settlements, including certificate dispatch; and
- (vii) record keeping.

The ACD has also delegated the following functions to Santander Asset Management, S.A, SGIIC:

- (i) contract settlements; and
- (ii) dealing on behalf of Funds.

Santander Asset Management, S.A, SGIIC is incorporated in Spain and is a member of the same group as the ACD.

The ACD has delegated the following administration functions to The Bank of New York Mellon (International) Limited, which is authorised by the PRA and regulated by the FCA and the PRA in the conduct of its investment business with firm reference number 183100:

- (i) Fund valuation and pricing; and
- (ii) preparation of report and accounts.

All delegations by the ACD of management functions will be in compliance with the requirements set out in Section 31 titled "Delegation and Conflicts of Interest". In assessing if there are any conflicts of interest prompted by any delegation the policy set out in Section 31 will be followed.

The ACD Agreement commenced on the date of incorporation of the Company and provides that the appointment of the ACD will continue in force unless and until terminated in specified circumstances. It may be terminated by either party giving the other written notice if the other party is in material breach which has not been remedied within 30 days. The Company may terminate the ACD Agreement on six months' notice in writing and the ACD may terminate it on six months' notice in writing (subject to the appointment of a successor). Termination cannot take effect until the FCA has approved the appointment of a successor.

The Company may at any time by giving notice in writing to the ACD terminate the ACD Agreement with immediate effect or require the ACD to resign for the purposes of the FCA Regulations (but subject to the appointment of a successor) in any of the following events:

- (i) the ACD goes into or takes any step to initiate liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation);
- (ii) the ACD is unable to pay its debts or a receiver is appointed over any of its assets;
- (iii) an administration order is obtained in respect of the ACD or if some event having an equivalent effect occurs;
- (iv) the ACD commits any material breach of its obligations under the ACD Agreement and (if such breach is capable of remedy) fails within 30 days of receipt of notice served by the Company requiring it so to do to make good such breach, provided that such breach is continuing; or
- (v) the ACD ceases to be permitted to act as such under the FCA Regulations or the Act.

The ACD Agreement includes an indemnity from the Company to the ACD in respect of any liabilities incurred by it by reason of its performance or non-performance of its obligations or functions under the Agreement except in the event of fraud, negligence, wilful default, breach of trust or breach of duty by the ACD.

The ACD may provide similar services for other clients but will endeavour to ensure fair treatment as between the Company and other customers whose funds are managed or advised by the ACD.

Details of the fees payable to the ACD are set out in Section 22.1. The ACD (or its associates or any affected person) is also under no obligation to account to the Depositary, the Company or the Shareholders for any profit it makes on the issue or re-issue or cancellation of Shares it has redeemed.

4.7 Other Schemes Managed / Operated by the ACD

The ACD currently also acts as authorised corporate director / manager of the following regulated Collective Investment Schemes:

- Santander Managed Investments OEIC;
- Santander Managed Investments OEIC 2;
- Santander Managed Investments OEIC 3;
- Santander Multi-Manager OEIC;
- Santander Premium Fund;
- Santander UK Growth Unit Trust;
- Santander Equity Income Unit Trust; and
- Santander Max 70% Shares Unit Trust.

4.8 Directors of the ACD

The Directors of the ACD are:

- Mehdi Kadhimi;
- Robert Lewis Noach (Non-Executive Director);
- Jack Treunen (Non-Executive Director);
- Jocelyn Dehnert (Non-Executive Director) and
- Lazaro de Lazaro Torres (Non-Executive Director).

Robert Lewis Noach is also a director of INCA Property Enterprises Limited, Land Investment & Development Company Limited, Southbeck Investment Company Limited, Cliq Limited and Your 3 Minutes Limited.

Jack Treunen is also a director of Santander Asset Management UK Holdings Limited, AFB SAM Holdings S.L., Santander Asset Management S.A. SGIIC, Santander Pensiones S.A. EGFP, SAM Brasil Participacoes S.A. and Allfunds Bank, S.A.

Jocelyn Dehnert is also a director of Lamarck Limited and Board Strategy Limited.

Lazaro de Lazaro Torres is also a director of Santander Asset Management S.A. SGIIC, Santander Pensiones S.A. EGFP and Santander Towarzystwo Funduszy Inwestycyjnych S.A.

The other business activities of the Directors are not of significance to the business of the Company.

5. THE DEPOSITARY

The Depositary of the Company is NatWest Trustee and Depositary Services Limited, incorporated in England and Wales as a private limited company. Subject to the Regulations the Depositary is responsible for the safekeeping of the property of the Company entrusted to it and has a duty to take reasonable care to ensure that the Company is managed in accordance with the provisions of the Regulations relating to the pricing of, and dealing in, Shares and to the allocation of the income of the Company.

5.1 Registered and Head Office

The Registered Office of the Depositary is at 250 Bishopsgate, London EC2M 4AA, United Kingdom.

5.2 Ultimate Holding Company

The ultimate holding company of the Depositary is NatWest Group Plc, which is incorporated in Scotland.

5.3 Principal Business Activity

The principal business activity of the Depositary is the provision of trustee and depositary services.

5.4 Regulatory Organisation and Terms of Appointment of the Depositary

The appointment of the Depositary was made under an agreement dated 29 October 2018 between the Company, the ACD and the Depositary (the “**Depositary Agreement**”).

The Depositary is authorised and regulated by the FCA. It is authorised to carry on investment business in the United Kingdom by virtue of its authorisation and regulation by the regulator.

The Depositary is responsible for the safekeeping of the scheme property of the Company, monitoring the cash flows of each Fund and ensuring that certain processes carried out by the Company are performed in accordance with applicable rules and the Prospectus and Instrument of Incorporation. The Depositary is permitted to delegate (and authorise its delegate to sub-delegate) the safekeeping of scheme property however the Depositary’s liability shall not be affected by any delegation of its safekeeping functions under the Depositary Agreement.

The Depositary has delegated its safekeeping function to Bank of New York Mellon London Branch, as Custodian, to assist in the safekeeping of scheme property under the terms of a custody agreement. The head address of the Custodian is One Canada Square, London E14 5AL, United Kingdom. The Custodian has sub-delegated certain custodial duties to AllFunds Bank Limited. The Custodian has sub-delegated custody services to sub-custodians in certain markets in which the Funds may invest. A list of sub-custodians is at Appendix 4. Investors should note that the list of sub-custodians is updated only at each prospectus review. An up to date list of sub-custodians can be obtained upon request from the ACD.

The Depositary has a duty to take reasonable care to ensure that the Company is managed in accordance with the Instrument of Incorporation and the FCA Regulations relating to pricing of, and dealing in, Shares and income of the Funds.

The Depositary Agreement provides for termination by either the Company or the Depositary giving not less than 90 days’ prior notice in writing to the other party or earlier on certain breaches or insolvency of a party. However, the Depositary may not retire voluntarily except on the appointment of a new depositary. The Depositary Agreement shall be terminated by notice in writing if the FCA obtains a court order to remove the Depositary or the Depositary is wound up. However, termination of the Depositary Agreement will not take effect until the appointment of a new depositary.

Under the Depositary Agreement the Depositary is liable to the Company for any loss of the financial instruments held in custody as a result of the Depositary’s negligent or intentional failure to fulfil its obligations. The Depositary also accepts responsibility for its acts and omissions in the event of its fraud, negligence or wilful default. However, the Depositary Agreement excludes the Depositary from any liability except in the case of wilful default, negligence or failure to exercise due care and diligence

on its part. It also provides that the Company will indemnify the Depositary from any liability except in the case of fraud, wilful default, negligence or failure to exercise due care and diligence in the performance or non-performance of its obligations.

In the absence of express written authorisation from the ACD or the Company, neither the Depositary nor any sub-custodian or custody agent shall be allowed to lend, use or hypothecate any Fund assets for its own purpose or benefit.

The Depositary operates independently from the Company, Shareholders, the ACD and its associated suppliers and the Custodian. As such, the Depositary does not anticipate any conflicts of interest with any of the aforementioned parties. In addition, the Depositary may act as depositary of other Collective Investment Schemes but does not anticipate any conflicts of interest arising as a result of such appointment. No conflicts of interest have been identified as a result of the sub-delegation from the Depositary to the Custodian.

The powers, duties, rights and obligations of the Depositary, the Company and the ACD under the Depositary Agreement shall to the extent of any conflict be overridden by the FCA Regulations.

Up-to-date information regarding the Depositary, its duties, its conflicts of interest and the delegation of its safekeeping functions will be made available by the ACD to Shareholders on request.

The Depositary is entitled to receive remuneration out of the property of the Funds for its services, as detailed in Section 22.2. The Depositary (or its associates or any affected person) is under no obligation to account to the ACD, the Company or Shareholders for any profits or benefits it makes or receives that are made or derived from or in connection with dealings in Shares, any transaction in scheme property or the supply of services to the Company.

6. INVESTMENT MANAGERS AND SUB-INVESTMENT MANAGERS

Investment Manager

The ACD acts as investment manager to the Funds and may appoint Sub-Investment Managers. The ACD will be responsible for day to day discretionary investment management of the assets of the Funds in accordance with the relevant investment objectives and policies.

The fees payable to the ACD as investment manager are included in the fees payable by each Fund to the ACD and are not an obligation of the Company.

The ACD is required to provide additional own funds for covering liability risks arising from professional negligence at least equal to the defined excess for professional indemnity insurance "PII" cover in place. The additional own funds requirement shall be recalculated at the end of each financial year, and as the PII varies due to changes in the insurance policy terms, the amount of additional own funds shall be adjusted accordingly.

The ACD has established procedures to monitor on an ongoing basis the value of the portfolios of the Funds managed. Where, before the annual recalculation, the value of the portfolios of the Funds managed increases significantly, the ACD shall without undue delay recalculate the additional own funds requirement and shall adjust the amount of additional own funds accordingly.

Sub-Investment Managers

The ACD may appoint one or more Sub-Investment Managers to whom it may delegate all or part of the day-to-day conduct of its investment management responsibilities in respect of any Fund. Sub-Investment Managers may be members of the same group of companies as the ACD or third party companies. If more than one Sub-Investment Manager is appointed to a Fund, the ACD shall allocate the assets of the Fund between the Sub-Investment Managers in such proportions as it shall, at its discretion, determine. The ACD will monitor the performance of the Sub-Investment Manager(s) for each Fund in order to assess the need, if any, to make changes / replacements. Shareholders will be notified of any such change appropriately. The ACD has appointed the following Sub-Investment Managers. The ACD has appointed the following Sub-Investment Managers.

Sub-Investment Manager**Registered office**

Schroder Investment Management Limited

1 London Wall Place, London EC2Y 5AU, United Kingdom

Santander Asset Management, S.A, SGIIC (incorporated in Spain and is a member of the same group as the ACD)

Calle Serrano 69 – 28006, Madrid, Spain

The principal activity of the Sub-Investment Manager is the provision of investment management services.

Terms of appointment

The Sub-Investment Manager was appointed by an agreement between the ACD and the Sub-Investment Manager, as amended from time to time (the “**Sub-Investment Management Agreement**”) as set out below.

Fund	Sub-Investment Manager	Terms of appointment
Santander Enhanced Income Portfolio	Schroder Investment Management Limited (authorised and regulated by the FCA)	<p>Date of Agreement: 24 July 2020</p> <p>The Sub-Investment Management Agreement may be terminated by either the ACD or Schroder Investment Management Limited in a number of circumstances including on three months’ written notice to the other party and immediately by either party on the happening of certain events including material breach by the other party, or in the event of the other party’s insolvency.</p>
Santander Max 50% Shares Portfolio and Santander Max 70% Shares Portfolio	BlackRock Advisors (UK) Limited	<p>Date of agreement: 7 September 2018</p> <p>BlackRock Advisors (UK) Limited will act as transition manager for each of these Funds from 14 January 2022. Pursuant to the Transition Management Agreement, the Transition Manager will effect a realignment of each Fund’s portfolio in line with direction from the Sub-Investment Manager (the “Portfolio Transition”), which will be completed as soon as reasonably practical but no later than four weeks from the Transition Manager’s appointment. Upon completion of the Portfolio Transition, the Transition Manager will play no further role in the management of either Fund, and the Sub-Investment Manager will manage the whole of each Fund.</p> <p>The Transition Management Agreement may be terminated by either the ACD or BlackRock Advisors (UK) Limited on 60 days’ written notice to the other party.</p>
	Santander Asset Management, S.A, SGIIC (registered with the Commercial	<p>Date of agreement: 30 July 2008</p> <p>The Sub-Investment Management Agreement may be terminated by either the ACD or</p>

Registry of Madrid and with the Administrative Registry of the Spanish Commission of the Stock Market of Collective Investment Institutions Management Companies)

Santander Asset Management, S.A, SGIC on 30 days' written notice to the other party. The Sub-Investment Management Agreement may also be terminated immediately on the happening of certain events including if the ACD believes that this is in the best interests of investors, or if there is material breach by the other party. The Sub-Investment Management Agreement will terminate automatically in the event of either party's insolvency.

7. ADMINISTRATOR AND REGISTRAR

The ACD is responsible for providing administration and registrar services to the Company. No separate fees are payable to the ACD for the provision of these services.

As set out in Section 4.5, the ACD currently delegates the provision of registrar and other administration functions to FNZ TA Services Limited and Santander Asset Management, S.A, SGIC.

8. AUDITORS

The Auditors of the Company are PricewaterhouseCoopers LLP of 1 Embankment Place, London WC2N 6RH, United Kingdom.

9. GENERAL

The Company, the ACD and the Depositary must each comply with the relevant requirements of the FCA Regulations in a timely manner unless delay is lawful and also in the interests of the Company.

The ACD and the Depositary may retain the services of the other, or third parties to assist them in fulfilling their respective roles. The only exceptions are that: the Depositary may not delegate oversight of the Company to the Company, the ACD or any associate of the Company or the ACD, or custody or control of scheme property to the Company or the ACD; and any delegation of custody of scheme property must be under arrangements which allow the Custodian to release documents into the possession of a third party only with the Depositary's consent.

Where functions are performed by third parties, the ACD remains responsible for the management of scheme property and, if the third party is an associate of the ACD, any other functions which are within the role of the ACD.

The FCA Regulations contain various requirements relating to transactions entered into between the Company and the ACD, any Sub-Investment Manager(s) and / or any associate of them which may involve a conflict of interest. These are designed to protect the interests of the Company.

Certain transactions between the Company and the ACD, or an associate of the ACD, may be voidable at the instigation of the Company in certain circumstances.

The ACD and other companies within the Santander Asset Management group may from time to time act as managers to other funds or sub-funds which follow similar investment objectives to those of the Funds. It is therefore possible that the ACD may in the course of its business have potential conflicts of interest with the Company or a particular Fund or between the Company and the other funds managed by the ACD. The ACD will take all appropriate steps to identify and prevent or manage such conflicts and will have regard in any event of this kind to its obligations under the ACD Agreement and in particular to its obligation to act in the best interests of the Company and Shareholders so far as practicable, having regard to its obligations to other clients, when undertaking any investment business where potential conflicts of interest may arise. Where a conflict of interest cannot be avoided, the ACD will ensure that the Company and the Shareholders and any other Collective Investment Schemes it manages are fairly treated. The ACD maintains a written conflicts of interest policy.

The ACD acknowledges that there may be some situations where the organisational or administrative arrangements in place for the management of conflicts of interest are not sufficient to ensure with reasonable confidence that risk of damage to the interests of the Company and Shareholders will be prevented. Should such situations arise the ACD will, as a last resort if the conflict cannot be avoided, disclose these to Shareholders in an appropriate format. Details of the ACD's conflicts of interest policy are available on request from the ACD.

10. REGISTER OF SHAREHOLDERS

Ownership of Shares is evidenced by an entry on the Register, which is maintained by FNZ TA Services Limited at Level 7, 2 Redman Place, Stratford, London E20 1JQ, United Kingdom. The Register may be inspected by any Shareholder or his duly authorised agent during normal business hours at that address without charge.

All Shares are in registered form. Transfers of Shares may be effected by contacting the ACD. The ACD does not currently accept the transfer of title to Shares on the basis of an authority communicated by electronic means. Copies of the entries on the Register relating to a Shareholder are available on request by that Shareholder without charge, or may be made available for downloading via an online portal where available.

At least once each year, the ACD will send a statement to each person who holds or has held Shares since the time of issue of the last statement. In the case of joint holdings of Shares, statements are sent to the first named Shareholder. The statement will describe any current holding of Shares in the Company as at the date of the statement and any transactions in Shares in the Company carried out by or on behalf of that person since the date of the last statement. Individual statements will also be issued at any time on request by the registered Shareholder.

11. BUYING, SELLING AND SWITCHING SHARES

11.1 General

The Funds are intended for both retail and institutional investors. Retail investors may only invest in a Fund through authorised intermediaries such as fund platforms, nominees or a financial advisor.

The ACD's delegate, FNZ TA Services Limited, is available to deal with requests from institutional investors to buy, redeem (sell) or switch Shares between 9am and 5pm on each Business Day. Such applications and instructions may be made by post or electronic means where available. The Shares are bought, sold or switched at a forward price, being the price determined at the next valuation of the property of the relevant Fund after the receipt by FNZ TA Services Limited of the investor's instructions.

Please contact FNZ TA Services Limited at investorqueries@fnztaservices.com for any enquiries related to applications and instructions to buy, redeem (sell) or switch Shares.

Subject to the ACD's internal approvals for new investors including the anti-money laundering measures detailed in Section 13:

- valid requests received prior to the 12noon Valuation Point are dealt that day;
- if valid requests are received after the Valuation Point, they are marked at the price at the next Valuation Point; and
- valid requests are processed at the next applicable Valuation Point following receipt of the request except in the case where dealing in a Fund has been deferred or suspended as set out in Section 15 titled "Suspension of Dealing in Shares".

Share Prices are published on each Business Day on the Financial Express Fundinfo website (www.trustnet.com) and the ACD's website (www.santanderassetmanagement.co.uk), and are also available via other data vendors or by calling +44 (0)330 024 0785. Shares are not listed or dealt on any investment exchange.

Client Money

Any monies received by the ACD from a Shareholder or prospective Shareholder for the purchase of Shares, owed to a Shareholder following a redemption or switch of Shares or otherwise designated as Client Money, will be held by the ACD in accordance with the Client Money Rules with a Third Party Bank until invested in the relevant Fund(s) or paid out to the relevant Shareholder, as applicable.

In cases where a trade is settled to the Depositary before payment has been received by the ACD (see “Buying and Selling Shares” below), any monies received thereafter by the ACD from the applicant in respect of the settled trade will not be protected as Client Money, although the applicant’s underlying investment will be protected as a custody asset by the Depositary.

Client Money will be deposited in one or more Sterling accounts held with Third Party Banks in the UK. There is no interest earned on Client Money bank accounts and therefore no interest will be paid to Shareholders or potential Shareholders in relation to the period money is held as Client Money.

Client Money accounts may also include sums which the ACD holds in the normal course of business for or in relation to other Shareholders, so Client Money held on behalf of an individual Shareholder or potential Shareholder is part of a common pool of money. An individual Shareholder or potential Shareholder does not have a claim against a specific Client Money account, rather the ACD’s Client Money pool in general which is segregated from the ACD and the Company’s own money.

If the Third Party Bank where Client Money is held becomes insolvent the ACD will have a claim on behalf of its clients against this bank. If however the Third Party Bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between them. Individual Shareholders may also be entitled as individuals to claim from the Financial Services Compensation Scheme (FSCS) up to £85,000 in respect of the total cash the individual Shareholders hold directly and indirectly with the failed bank. To the extent the ACD is permitted to exclude liability under applicable law and regulation, the ACD is not responsible for losses incurred by Third Party Banks appointed by it to hold Client Money.

In holding Client Money in accordance with the Client Money Rules, the ACD has in place adequate record keeping, accounts and reconciliation procedures to safeguard Client Money, as well as procedures regarding selection, approval and monitoring of Third Party Banks used to hold Client Money.

International reporting requirements (including FATCA)

In order to comply with the legislation implementing the United Kingdom's obligations under various intergovernmental agreements relating to the automatic exchange of information to improve international tax compliance (including FATCA), the Company or its agent may collect and report information about Shareholders for this purpose, including information to verify their identity and tax status.

When requested to do so by the Company or its agent, Shareholders must provide information to be passed on to HM Revenue & Customs, and, by them, to any relevant overseas tax authorities. By subscribing for Shares, each Shareholder is agreeing to provide all necessary information upon request from the Company or its delegate for the purposes of all applicable international tax compliance provisions.

Please note that the Company may treat Shareholders as a Specified U.S. Person where the ACD acting as administrator is unable to establish that this is not the case, or redeem compulsorily their holding in accordance with Section 14 titled “Compulsory Transfer or Redemption of Shares”.

11.2 Minimum Subscriptions and Holdings

The minimum holdings, minimum withdrawal amounts and minimum purchase amounts referred to below may be waived by the ACD in its discretion.

Fund	Classes	Minimum Initial	Minimum	Minimum Withdrawal
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		Subscription	Subsequent Subscription	Amount
Santander Sterling Bond Portfolio	R Accumulation Shares	£500	£1.50	£1.50 (provided a minimum value of £500 in Shares is held in the Fund after the redemption takes place)
Santander Max 50% Shares Portfolio	R Accumulation Shares	£500	£1.50	£1.50 (provided a minimum value of £500 in Shares is held in the Fund after the redemption takes place)
	R Income Shares	£500	£1.50	£1.50 (provided a minimum value of £500 in Shares is held in the Fund after the redemption takes place)
	S Accumulation Shares	£10,000,000	£1.50	£1.50 (provided a minimum value of £10,000,000 in Shares is held in the Fund after the redemption takes place)
Santander Max 70% Shares Portfolio	R Accumulation Shares	£500	£1.50	£1.50 (provided a minimum value of £500 in Shares is held in the Fund after the redemption takes place)
	S Accumulation Shares	£10,000,000	£1.50	£1.50 (provided a minimum value of £10,000,000 in Shares is held in the Fund after the redemption takes place)
Santander Max 100% Shares Portfolio	R Accumulation Shares	£500	£1.50	£1.50 (provided a minimum value of £500 in Shares is held in the Fund after the redemption takes place)
	S Accumulation Shares	£10,000,000	£1.50	£1.50 (provided a minimum value of £10,000,000 in Shares is held in the Fund after the redemption takes place)
Santander Enhanced Income Portfolio	I Income Shares	£500	£1.50	£1.50 (provided a minimum value of £500 in Shares is held in the Fund after the redemption takes place)
	I Accumulation Shares	£1,000,000	£1.50	£1.50 (provided a minimum value of £1,000,000 in Shares is held in the Fund after the

				redemption takes place)
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11.3 Buying and Selling Shares

Following a request to purchase Shares, a contract note will be sent, or made available via online portal where available, normally by the close of the next Business Day after the Valuation Point following receipt of the application. This will show the number of Shares purchased and the applicable price.

Payment to satisfy a request to purchase Shares should be cleared through the ACD's relevant bank account by the close of the fourth Business Day after the relevant Valuation Point.

As the Depositary / ACD will net settle trades to purchase Shares by close of business on the fourth Business Day following the relevant Valuation Point, the relevant trade may have been settled before the payment from the applicant is received by the ACD. At the point the trade is settled the Register will be updated and the applicant will become the legal and beneficial owner of the Shares, irrespective of whether payment has been received by the ACD.

If payment is not received from the applicant by the close of the fourth Business Day after the relevant Valuation Point the ACD reserves the right to cancel the relevant subscription of Shares and the relevant applicant will not be entitled to any interest, income or capital earned on these Shares. Shares that have not been paid for by the applicant cannot be redeemed by the applicant.

Share certificates will not be issued. A notice of the applicant's right to cancel the purchase will be sent separately within seven days of the relevant Valuation Point. Subscription monies representing less than the purchase price of a whole Share will not be returned to the applicant. Fractions of Shares will be issued in such circumstances to the nearest whole thousandth of a Share.

Instructions to redeem Shares may be made in writing, or electronic means where available (as detailed in Section 11.1). A contract note will be issued, or made available via online portal where available, giving details of the Shares sold and the price used.

Payments to satisfy a request to sell Shares should be made by direct credit and will normally be issued by the close of the fourth Business Day after the later of the relevant Valuation Point and receipt by the ACD of a written and signed renunciation request in respect of the appropriate number of Shares, or electronic means where available.

Apart from circumstances in which a Shareholder is selling his entire holding of Shares in a Fund:

- (a) fractions of Shares will be credited to a Shareholder where any part of the redemption monies for Shares represents less than the redemption price for one Share, provided however that fractions shall not be less than one thousandth of a Share; and
- (b) sale monies representing less than one thousandth of a Share will not be returned to a Shareholder, but will be retained by the Company in order to defray administration costs.

Once a request to sell Shares has been given, it cannot subsequently be withdrawn.

Part of a Shareholder's holding may be sold but the ACD reserves the right to refuse a request to sell Shares if the value of the Shares in any Fund to be sold is less than the minimum stated in respect of the appropriate Class in the Fund in question (see Appendix 1 and the table above).

11.4 Switching between Funds

Shareholders are entitled (subject to certain restrictions) to switch all or part of their Shares in one Fund for Shares of a different Class in that Fund or Shares of the same or a different Class in a different Fund, provided they meet the entry requirements of the Class they wish to acquire, except that I Income Shares are only currently available in Santander Enhanced Income Portfolio and I Accumulation Shares are only available in Santander Atlas Portfolio 6 and Santander Enhanced Income Portfolio.

Switching may be requested in writing or by electronic means where available to the ACD's delegate FNZ TA Services Limited as detailed in Section 11.1. In the case of joint Shareholders, the request must be signed by all the joint holders.

A switch involves a sale of the Shares held and a purchase of new Shares. If a requested switch would result in a Shareholder holding original or new Shares of a number or value which is less than the minimum holding in the relevant Fund(s), the ACD may, if it thinks fit, either convert the whole of the Shareholder's original holding or refuse to switch any of the original holding.

Please note that under United Kingdom tax law a switch of Shares from one Fund to another Fund is treated as a redemption of the original Shares and a purchase of new Shares and will, for persons subject to United Kingdom taxation, be a realization of the original Shares for the purposes of capital gains taxation, which may give rise to a liability to tax, depending upon the Shareholder's circumstances. Switching Shares of one Class within a Fund for Shares of another Class within the same Fund will not generally be a disposal for the purposes of capital gains tax.

A Shareholder who switches Shares in one Fund for Shares in any other Fund (or who switches between Classes) will not be given a right by law to withdraw from or cancel the transaction.

11.5 Dealing Charges

Initial Charge

The ACD may impose an initial charge on the purchase of Shares. The rate of the initial charge (as a percentage of the amount being subscribed) for each Class is set out in the details of each Fund in Appendix 1. In practice the initial charge may be lower than the amount stated or may be waived at the ACD's discretion.

Redemption Charge

The ACD does not currently impose a redemption charge on a cancellation or redemption of any Shares.

Switching Charge

The ACD may impose a switching charge on a switch of Shares for Shares of the same Class of another Fund only where that other Fund has a higher initial charge. The charge will be the difference between the two initial charges.

12. SHARE PRICES

12.1 Price of a Share

Shares are priced on a single mid-market pricing basis in accordance with the FCA Regulations.

The price of a Share is the Net Asset Value attributable to the relevant Class divided by the number of Shares of that Class in issue.

The Net Asset Values attributable to each Class of each Fund will normally be calculated at 12noon UK time on each Business Day.

The ACD reserves the right to revalue a Class or Fund at any time at its discretion.

12.2 Dilution Adjustment

For the purpose of calculating the price at which Shares in a Fund are to be issued or sold, the values of investments are calculated by using mid-market prices (see Section 17 titled "Calculation of Net Asset Value"). The actual cost of buying or selling a Fund's investments maybe higher or lower than the mid-market values used in calculating the Share price, for example due to dealing charges or through dealing at prices other than the mid-market price. Under certain circumstances, for example large value deals, this will have an adverse effect on the continuing Shareholders in a Fund. This effect is called

“dilution”.

For the purpose of reducing dilution in a Fund, the ACD may make a dilution adjustment to the price of a Share so that it is above or below that which would have resulted from a mid-market valuation of the Fund’s investments. This will give a more accurate value of the actual price paid or received.

A dilution adjustment may be applied where a Fund is experiencing large levels or trends of issues and sales relative to its size, or in any other circumstances where the ACD is of the opinion that the interests of Shareholders require the imposition of a dilution adjustment.

The dilution adjustment is calculated by reference to the costs of dealing in the underlying investments of the relevant Fund, including any dealing spreads, commissions and transfer taxes.

As dilution is directly related to the issues and sales of Shares in a Fund, it is not possible to predict accurately whether dilution will occur at a future point in time or how frequently however, based on historical data, the ACD expects to make a dilution adjustment on most occasions when Shares are issued or redeemed. A typical adjustment, based on historical data, is expected to be between 0% and 2% for the issue and redemption of Shares.

The ACD’s dilution adjustment policy is as follows:

- dilution adjustments per Fund are at the discretion of the ACD and for the benefit of all Shareholders. The ACD reserves the right to disapply any dilution adjustment;
- dilution adjustments per Fund are reviewed quarterly based on actual costs to the Fund over the preceding quarter;
- the swing basis per Fund is reviewed quarterly based on the size and direction of daily cash flows over the preceding quarter;
- where a Fund swings to bid the dilution adjustment reduces the price of Shares and where a Fund swings to offer the dilution adjustment increases the price of Shares.
- The ACD’s swing basis policy is as follows:
 - in the event that on any one day there is cashflow, the ACD maintains the right to set the swing basis to match the direction of cash flow;
 - in the event that on any one day there is no cash flow received, the ACD maintains the right to set the swing basis to match the direction of most recent cash flow;
 - on all other days, the swing basis will normally match the long-term trend identified in the quarterly review, for example if a Fund receives more outflows than inflows long-term trend will be bid, if a Fund receives more inflows than outflows long-term trend will be offer.

13. PREVENTION OF MONEY LAUNDERING

As a result of legislation in force in the United Kingdom to prevent money laundering, companies conducting investment business are responsible for compliance with money laundering regulations. In certain circumstances, investors will be asked to provide proof of identity when buying, selling or switching Shares. Normally this will not result in any delay in carrying out instructions but should the ACD request additional information; this may mean that instructions will not be carried out until the information is received. In these circumstances, the ACD may refuse to issue or sell Shares, release the proceeds of redemption or carry out such instructions. Any information collected will be for anti-money laundering purposes only.

14. COMPULSORY TRANSFER OR REDEMPTION OF SHARES

The ACD may impose the restrictions it thinks necessary to ensure that no Shares are acquired or held by any person in breach of law or governmental regulation (or any interpretation of a law or regulation

by a competent authority) of any country or territory. The ACD may in its sole discretion reject any application for or sale of Shares or any exchange notice given.

If the ACD becomes aware that: any Shares are owned directly or beneficially in breach of any law or governmental regulation; or the Shareholder in question is not eligible to hold such Shares or if it reasonably believes this to be the case, it may give notice requiring the transfer or repurchase of such Shares. If any person does not take those steps within 30 days, he shall then be deemed to have given a written request for the sale of all of his Shares.

A person who becomes aware that he holds or owns Shares in breach of any law or governmental regulation, or is not eligible to hold those Shares, must either: transfer all those Shares to a person qualified to own them; or give a request in writing for the sale of all such Shares, unless such person has already received a notice from the ACD to transfer the Shares or for them to be repurchased.

In addition to the provisions above, if it comes to the attention of the ACD that a person is registered as holding Shares in any of the Funds directly, rather than via a platform or in a nominee name, and is therefore in breach of the restrictions set out in this Prospectus at Section 3.1, the ACD reserves the right to redeem those Shares as soon as practically possible.

15. SUSPENSION OF DEALINGS IN SHARES

Where due to exceptional circumstances it is in the interest of all Shareholders in any or all of the Funds, the ACD may with the prior agreement of the Depositary, and must without delay if the Depositary so requires, temporarily suspend dealings in Shares and ensure notification of the suspension is made to Shareholders as soon as practicable after it commences, ensuring that it publishes (on its website or by other general means) sufficient details to keep Shareholders appropriately informed about the suspension including, if known, its likely duration. The ACD must inform the FCA of such suspension immediately, stating the reason for the suspension, and will follow this up as soon as practicable with written confirmation of the suspension and the reasons for it to the FCA.

The ACD and the Depositary must ensure that the suspension is only allowed to continue for as long as justified having regard to the interests of all relevant Shareholders.

Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the ACD and the Depositary will formally review the suspension at least every 28 days, and will inform the FCA of the review and any change to the information given to Shareholders.

The ACD may agree during the suspension to deal in Shares in which case all deals accepted during and outstanding prior to the suspension will be undertaken at a price calculated at the first Valuation Point after the restart of dealing in Shares. Re-calculation of Share price(s) will commence at the next relevant Valuation Point after the period of suspension has ended.

16. SHARE CLASS CONVERSIONS

The ACD may in its sole discretion effect a conversion of Shares of a particular Class into Shares of another Class within the same Fund, provided there is no detriment to any affected Shareholders, and Shareholders whose Shares are being converted have been given at least 60 days' notice.

17. CALCULATION OF NET ASSET VALUE

The Net Asset Value of the scheme property of the Company or a Fund (as the case may be) shall be the value of its assets less the value of its liabilities determined in accordance with the following provisions.

17.1 All scheme property (including receivables) of the Company or a Fund is to be included, subject to the following provisions.

17.2 Property which is not cash (or other assets dealt with in Section 17.4) or a contingent liability transaction shall be valued as follows and the prices used shall (subject as follows) be the most recent

prices which it is practicable to obtain:

- (a) units or shares in a Collective Investment Scheme:
 - (i) if a single price for buying and selling units or shares is quoted, at that price;
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices providing the buying price has been reduced by any initial charge included therein and the selling price has been increased by any exit or redemption charge attributable thereto; or
 - (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no recent price exists, at a value which, in the opinion of the ACD, is fair and reasonable;
- (b) any other transferable security:
 - (i) if a single price for buying and selling the security is quoted, at that price;
 - (ii) if separate buying and selling prices are quoted, at the average of the two prices; or
 - (iii) if, in the opinion of the ACD, the price obtained is unreliable or no recent traded price is available or if no price exists, at a value which, in the opinion of the ACD, is fair and reasonable;
- (c) property other than that described in (a) and (b) above:

at a value which, in the opinion of the ACD, represents a fair and reasonable mid-market price.

17.3 Cash and amounts held in current and deposit accounts and in other time-related deposits shall be valued at their nominal values.

17.4 Property which is a contingent liability transaction shall be treated as follows:

- (a) if a written option and the premium for writing the option has become part of the relevant scheme property, deduct the amount of the valuation of the option. If the property is an off-exchange derivative the method of valuation shall be agreed between the ACD and the Depositary;
- (b) if an off-exchange future, include at the net value of closing out in accordance with a valuation method agreed between the ACD and the Depositary;
- (c) if any other form of contingent liability transaction, include at the net value of margin on closing out (whether as a positive or negative value). If the property is an off-exchange derivative, include at a valuation method agreed between the ACD and the Depositary.

17.5 In determining the value of the relevant scheme property, all instructions given to issue or cancel shares shall be assumed to have been carried out (and any cash paid or received) whether or not this is the case.

17.6 Subject to the provisions below, agreements for the unconditional sale or purchase of property which are in existence but uncompleted shall be assumed to have been completed and all consequential action required to have been taken. Such unconditional agreements need not be taken into account if made shortly before the relevant valuation takes place and, in the opinion of the ACD, their omission will not materially affect the final net asset amount.

17.7 Futures or contracts for differences which are not yet due to be performed, unexpired, and unexercised written or purchased options shall not be included under Section 17.6.

17.8 All agreements are to be included under Section 17.6 which are, or ought reasonably to have been, known to the person valuing the property.

17.9 Deduct an estimated amount for anticipated tax liabilities at that point in time including (as applicable and without limitation) capital gains tax, income tax, corporation tax, value added tax, stamp or other transfer or financial transaction taxes or duties.

17.10 Deduct an estimated amount for any liabilities payable out of the relevant scheme property and any tax thereon treating periodic items as accruing from day to day.

17.11 Deduct the principal amount of any outstanding borrowings whenever payable and any accrued but unpaid interest on borrowings.

17.12 Add an estimated amount for accrued claims for tax of whatever nature, which may be recoverable.

17.13 Add any other credits or amounts due to be paid into the relevant scheme property.

17.14 Add a sum representing any interest or any income accrued due or deemed to have accrued but not received.

17.15 Currencies or values in currencies other than the base currency of the Company or (as the case may be) the designated currency of a Fund shall be converted at the relevant Valuation Point at a rate of exchange that is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders.

18. IN SPECIE REDEMPTION

If a Shareholder requests the redemption or cancellation of Shares, the ACD may, if it considers the deal substantial in relation to the total size of the Fund concerned, arrange for the Company to cancel the Shares and transfer scheme property to the Shareholder instead of paying the price of the Shares in cash, or, if required by the Shareholder, pay the net proceeds of sale of the relevant scheme property to the Shareholder. A deal involving Shares representing 5% or more in value of a Fund will normally be considered substantial, although the ACD may in its discretion agree an in specie redemption with a Shareholder whose Shares represent less than 5% in value of the Fund concerned.

Before the proceeds of cancellation of the Shares become payable, the ACD may give written notice, or notice by way of electronic means where available, to the Shareholder that scheme property (or the proceeds of sale of that scheme property) will be transferred to that Shareholder.

The ACD will select the property to be transferred (or sold) in consultation with the Depositary.

The ACD will ensure that the selection is made with a view to achieving no greater advantage or disadvantage to the redeeming Shareholder than to continuing Shareholders.

19. ISSUE OF SHARES IN EXCHANGE FOR IN SPECIE ASSETS

The ACD may arrange for the Company to issue Shares in exchange for assets other than money, but will only do so where the Depositary is satisfied that the Company's acquiring those assets in exchange for the Shares concerned is not likely to result in any material prejudice to the interests of Shareholders or potential Shareholders. The ACD will ensure that the beneficial interest in assets is transferred to the Company with effect from the issue of the Shares.

The ACD will not issue Shares in any Fund in exchange for assets the holding of which would be inconsistent with the investment objective of that Fund.

20. U.S. PERSONS

The Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold in the United States of America or its territories and possessions, or offered or sold to U.S. Persons (as defined below). The Company has not been and will not be registered under the United States Investment Company Act of 1940 (as amended). The ACD has not been and will not be registered under the United

States Investment Advisors Act of 1940.

“**U.S. Person**” means:

- (a) a resident of the United States of America;
- (b) a partnership or corporation organised or incorporated under the laws of the United States of America;
- (c) any estate or trust the executor, administrator or trustee of which is a U.S. Person unless, in the case of trusts of which any professional fiduciary acting as trustee is a U.S. Person, a trustee who is not a U.S. Person has sole or shared investment discretion with respect to trust assets and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person;
- (d) any estate or trust the income of which from sources outside the United States of America is includable in gross income for purposes of computing United States income tax payable by it;
- (e) any agency or branch of a foreign entity located in the United States of America;
- (f) any discretionary or non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary located within or outside the United States of America for the benefit or account of a U.S. Person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States of America, except that any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated or (if an individual) resident in the United States of America shall not be deemed a U.S. Person;
- (h) any firm, corporation or other entity, regardless of citizenship, domicile, status or residence if under the income tax laws of the United States of America from time to time in effect, the ownership thereof would be attributed to one or more U.S. Persons;
- (i) any partnership, corporation or other entity which is: (i) organised or incorporated under the laws of any foreign jurisdiction; and (ii) owned or formed by a U.S. Person or U.S. Persons principally for the purpose of investing in securities not registered under the Securities Act (including but not limited to Shares in a Fund); or
- (j) any other person or entity whose ownership of Shares or solicitation for ownership of Shares the ACD (through their officers or Directors) determines may violate any securities law of the United States of America or any state or other jurisdiction thereof.

The United States of America includes all of its territories and possessions.

21. RISK FACTORS

The amount of risk to which Shareholders are exposing their capital will vary. There are a number of factors which affect the level of risk. Where relevant, potential investors should take the following factors into account before investing in the Company.

21.1 Fluctuations in Value

With any stock market investment, the capital value of the investor’s original investment is not guaranteed. The value of investments and the income from them may go down as well as up and the investor may not get back the amount invested.

21.2 Investment Style and Investment Management Risk

Shareholders in a Fund face a risk that the investment choices made by the ACD and / or any Sub-

Investment Manager(s) for that Fund on their behalf deliver returns that are inferior to alternative choices. Depending on market and economic conditions and investor sentiment, specific types of instruments or investment styles may shift in and out of favour. A Fund with one investment style may outperform or underperform other Funds that employ different investment styles.

Further, each Fund is subject to the risk that the ACD and / or any Sub-Investment Manager(s) appointed for that Fund may not select instruments which optimally achieve the implementation of an investment style for that Fund.

21.3 Inflation Risk

Over time the real value and return of an investment may be impacted by inflation.

21.4 Overseas Investments / Currency Exchange

If investors choose a Fund which invests overseas, they should note that, as the Funds are denominated in Pounds Sterling and contain foreign investments, they will be affected by fluctuations in rates of currency exchange in addition to the usual stock market fluctuations.

21.5 Emerging Markets

Investors considering an investment in Funds covering emerging markets (sometimes referred to as “non-developed markets” in a Fund’s investment policy) should be aware that these can be more volatile than Funds covering established markets. For example, the systems and standards of dealing, settlement and custody of shares in these markets may not be as high as those in more developed markets and may therefore result in failed or delayed settlement of transactions.

Shares listed on smaller stock markets also tend to be less marketable than in more developed stock markets resulting in greater price fluctuation. Although care is taken to understand and manage such risks, ultimately the relevant Fund’s Shareholders bear the risks of investing in such markets.

21.6 Equities

Where a Fund invests in the shares of companies (equities) these tend to be more volatile than bonds, but also offer greater potential for growth. The value of the shares in companies may fluctuate, sometimes quite dramatically, in response to the activities and results of individual companies, as well as in connection with general market and economic conditions.

21.7 Smaller Capitalisation Companies

Securities of smaller capitalisation companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. Investment in smaller capitalisation companies may involve higher risk than investment in larger companies. The securities of smaller companies may trade less frequently and be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group, and full development of them takes time. These factors may result in above-average fluctuations in the price of a Fund which invests in smaller companies.

21.8 Bonds

Funds investing partly or wholly in bonds will tend to be less volatile than pure equity funds. However, the capital value of a bond fund and the level of its income may fluctuate.

Bonds are a type of fixed income security. Fixed income securities carry the risk that the issuer may be unable to meet principal and interest payments on the obligation and may also be subject to price volatility, which may be due to interest rate sensitivity, market perception of the creditworthiness of the issuer or general market liquidity. It might not be possible to realise the expected market value of a fixed income security in a timely manner if that security becomes illiquid or if markets become illiquid. Fixed income securities are interest rate sensitive and their value may be reduced where interest rates

increase, or may be increased where interest rates decrease. If interest rates change there is a risk that the reinvestment by a Fund of interest payments it receives from a fixed income security will be subject to a different market rate of return compared to that at the time of purchase of the fixed income security. The performance of a Fund investing in such securities will depend on the ability to anticipate and respond to changes in market interest rates and creditworthiness, and to utilise appropriate strategies to maximise returns, whilst attempting to reduce associated risks to capital investment.

Fixed income securities are also subject to inflation risk.

Sub-investment grade bonds

Sub-investment grade bonds often generate a higher yield but carry an increased risk of the issuer being unable to meet principal and interest payments on the obligation, which may affect the capital value of a Fund investing in them. Investment in higher yielding bonds with lower credit ratings may result in a greater risk of default and have a detrimental impact on income and capital value.

21.9 Suspension of Dealing

In certain circumstances, the Shareholders' right to redeem Shares may be suspended (see Section 15 titled "Suspension of Dealings in Shares").

21.10 Charges to Capital

Where the investment objective of a Fund is to treat the generation of income as a higher or equal (in the long term) priority to capital growth, all or part of the ACD's fees and expenses and / or other fees and expenses, may be charged against capital instead of against income and may constrain the capital growth of the Fund. See Section 22.8 for further details.

21.11 Income Risks

Certain Funds may have a target income yield although this rate of income is not guaranteed. During periods of market uncertainty there is an increased risk that a Fund's target yield will not be achieved due to factors such as dividends issued by companies in which the Fund invests being reduced or investment by the Fund in fixed income assets yielding less income than expected.

The ACD's intention is that any income paid to Shareholders in Santander Enhanced Income Portfolio will be "smoothed" so that equal amounts are paid for each income distribution by the Fund (apart from the final distribution) in a financial year in line with a rate set by the ACD for that Fund at the start of that financial year, and these may be higher or lower than the rate of income received by the Fund from its underlying investments during the relevant period. The final income distribution of a financial year will then be a balancing payment which may be higher or lower than the preceding distributions. However during periods of market uncertainty the ACD may need to adjust the smoothed income rate for this Fund so that for the remainder of the financial year less income is paid out at each distribution than had been previously been paid out to Shareholders in this Fund during that financial year.

21.12 Derivatives

In accordance with the investment limits and restrictions set out in Appendix 1, each of the Funds may use derivative strategies for the purposes of efficient portfolio management where derivatives are used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting the risk profile of a Fund (as further described in Appendix 3). Derivatives may also be used to hedge and manage risk in relation to the Funds. Santander Enhanced Income Portfolio may also use derivative strategies for investment purposes where derivatives are used as part of a Fund's investment strategy to help achieve its investment objectives.

The use of derivatives may expose a Fund to a higher degree of risk. These risks may include credit risk with regard to counterparties with whom the Fund trades, the risk of settlement default, lack of liquidity of the derivative, sensitivity to price movements in the underlying asset, imperfect tracking between the change in value of the derivative and the change in value of the underlying asset that the Fund is seeking to track and greater transaction costs than investing in the underlying assets directly.

In accordance with standard industry practice when investing in derivatives, a Fund may be required to secure its obligations to its counterparty. For non-fully funded derivatives, this may involve the placing of initial and / or variation margin assets with the counterparty. For derivatives that require a Fund to place initial margin assets with a counterparty, such assets might not be segregated from the counterparty's own assets and, being freely exchangeable and replaceable, the Fund may have a right to the return of equivalent assets rather than the original margin assets deposited with the counterparty. These deposits or assets may exceed the value of the relevant Fund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of a derivative may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the derivative only if a minimum transfer amount is triggered, the Fund may have an uncollateralised risk exposure to a counterparty under a derivative up to such minimum transfer amount.

Derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions are geared. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities.

Additional risks associated with investing in derivatives may include a counterparty breaching its obligations to provide collateral, or operational issues such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty. There may also be instances where a Fund's credit exposure to its counterparty under a derivative contract is not fully collateralised, but each Fund will continue to observe the limits set out in Appendix 2.

The use of derivatives may also expose a Fund to legal risk, being the loss due to the unexpected application of a law or regulation or because a court declares a contract not legally enforceable.

The ACD uses a risk management process to monitor and measure as frequently as appropriate the risk of a Fund's portfolio and contribution of its underlying investments to the overall risk profile of the Fund. A collateral management policy is detailed within the ACD's risk management policy and is subject to change and regular review. This policy will define "eligible" collateral including any applicable haircuts. Collateral will generally be of high quality and liquid (eg cash and government securities), and will include any additional restrictions deemed appropriate by the ACD.

All collateral used to reduce counterparty risk will comply with the following criteria at all times:

- highly liquid and traded on a regulated market;
- valued at least daily;
- of high quality;
- not highly correlated with the performance of the counterparty;
- sufficiently diversified in terms of country, markets and issuers (in accordance with ESMA's Guidelines on ETFs and other UCITS issues – ESMA/2012/832EN);
- held by the depositary or a third party custodian subject to prudential supervision who is unrelated to the provider of the collateral; and
- capable of being fully enforced by the ACD at any time without reference or approval from the counterparty.

Permitted collateral includes (where applicable):

- cash;
- government or other public securities;

- certificates of deposit issued by relevant institutions; and
- bonds or commercial paper issued by relevant institutions.

Non-cash collateral will not be sold, re-invested or pledged. Cash collateral will only be: placed on deposit with an Approved Bank; invested in high-quality government bonds; or invested in short-term money market funds as defined in ESMA's (then CESR's) Guidelines on a Common Definition of European Money Market Funds.

The exposure to a counterparty will, at all times, meet the requirements of the COLL Sourcebook. Collateral will be subject to a haircut depending on the class of assets received. The haircut policy depends on the quality of assets received, their price volatility, together with the outcome of any stress tests performed under normal and exceptional liquidity conditions.

Collateral received is not rehypothecated in any circumstances and is valued on a daily basis.

Options

Buying options involves less risk than selling options because if the price of the underlying asset moves against the buyer, the buyer may allow the option to expire. The maximum loss is limited to the premium paid to buy the option plus any commission or other transaction charges. However, buying a call option on a futures contract which is later exercised would lead to acquiring the futures and would generate a gain for a Fund.

The risk involved in writing options is considerably greater than buying options. A Fund may be liable for margin to maintain its position and a loss may be sustained well in excess of any premium received. By writing an option, that Fund accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against it, however far the market price has moved away from the exercise price. If the Fund already owns the underlying asset that is contracted to sell (known as "covered call options") the risk is reduced along with the upside potential. If the Fund does not own the underlying asset (known as "uncovered call options") the risk can be unlimited although this risk can be considerably reduced by holding investments with exposure to the same markets as the derivatives. The ACD is currently only allowed to write covered call options, with the aim of generating additional income although surrendering the chance of greater gains in the future.

Particular risks of over the counter derivative transactions

In general there is less governmental regulation and supervision of transactions in the over the counter (OTC) markets than organised stock exchanges. Many of the protections afforded to transactions on organised exchanges, such as the performance guarantee of an exchange clearing house, may not exist for OTC transactions. The risk of counterparty default therefore exists. To mitigate this risk the ACD will only use preferred counterparties that it believes to be creditworthy and may reduce the exposure incurred in connection with such transactions through the use of letters of credit or collateral. However, there can be no guarantee that a counterparty will not default or that a Fund will not sustain losses as a result. In addition to the above, the OTC market may be illiquid and it may not always be possible to execute a transaction quickly at an attractive price. From time to time, the counterparties with which a Fund effects transactions might cease, or be prevented, from making markets or quoting prices in certain instruments, for instance due to there being restrictions on trading in the underlying investments. In such instances, a Fund might be unable to enter into a desired transaction or to enter into an offsetting transaction with respect to an open position, which might adversely affect its performance.

In contrast to exchange traded instruments, forward, spot and option contracts on currencies, do not generally provide the ACD and / or any Sub-Investment Managers with the possibility to precisely offset the relevant Fund's obligations through an equal and opposite transaction. For this reason, when entering into forward, spot or options contracts on currencies, a Fund must always be able to perform its obligations under the contracts as it may be required to do so.

21.13 Counterparty Risk

A Fund will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the relevant Fund. This would include the counterparties to any derivative trade that it enters into. Trading in derivatives that have not been collateralised gives rise to direct counterparty exposure. A default by the counterparty may result in a reduction in the value of the relevant Fund. A Fund will also be exposed to the risk of insolvency of a counterparty providing services to the Fund such as safekeeping of assets, which may expose the Fund to financial losses. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The ACD maintains an active oversight of counterparty exposure for each Fund.

21.14 Liquidity Risk

Investments made by the Funds may be subject to liquidity constraints, which means that underlying shares may trade less frequently and in small volumes, for instance smaller companies. Securities of certain types, such as bonds or structured credit products, may also be subject to periods of lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable. In certain cases it may not be possible to sell an underlying security at the last market price or at a value considered to be fairest.

21.15 Leverage

Funds may contain leveraged positions due to cash borrowing or use of derivatives. Such positions may lead to an increased risk of loss due to greater sensitivity to movements in market levels of underlying asset values. The leverage of a Fund is the ratio between the exposure of the Fund and its Net Asset Value. Exposure is calculated using the gross method and commitment method, as defined in articles 7 and 8 respectively of the AIFM Level 2 Regulations. Limits on the total amount of leverage permitted in each Fund are set out in Appendix 1.

The total amount of leverage employed by any of the Funds is disclosed in the annual and half yearly reports, copies of which are available on the ACD's website at www.santanderassetmanagement.co.uk.

Any changes to the maximum level of leverage that the ACD may employ on behalf of the Funds or to any right of reuse of collateral or any guarantee granted under any leveraging arrangement will be notified to Shareholders as and when any such changes take place.

21.16 Liabilities of the Company and the Funds

As the Company is an umbrella company, each Fund has a specific segregated portfolio of assets to which any liabilities attributable to that Fund shall be met. Accordingly, the assets of each Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body including the Company or any other Fund, and shall not be available for any such purpose. Any liabilities, expenses, costs or charges which are not attributable solely to one Fund which are allocated in accordance with the FCA Regulations, may be reallocated by the ACD provided that such reallocation shall be done in a manner which is fair to Shareholders in the Company generally.

Shareholders are not however liable for the debts of the Company, nor to make any further payment to the Company after paying in full for the purchase of Shares.

21.17 Past Performance

Past performance does not necessarily indicate future performance. It can only serve as a guide and can in no way provide a guarantee of returns that investors will receive in the future. Please refer to the table in Schedule 1 for details of the Funds' past performance.

SPECIFIC RISKS REGARDING THE FUNDS' INVESTMENT IN COLLECTIVE INVESTMENT SCHEMES

21.18 Collective Investment Scheme Risk

Where a Fund invests in another Collective Investment Scheme, it will bear along with other investors its portion of the expenses of that Collective Investment Scheme, including management, performance and / or other fees. Other Collective Investment Schemes that a Fund invests in will also be subject to their own risks based on their investment policy. For example they could hold assets in a different currency to that of the relevant Fund, take more risks or use derivatives more extensively than the relevant Fund or invest more extensively in non-developed markets than the relevant Fund.

21.19 Market Price Risk

Where a Fund invests principally in regulated Collective Investment Schemes, the value of securities is not fixed and may go down as well as up. This may be the result of specific factors affecting the value of individual securities within the collectives or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Fund seeks to minimise these risks by holding a diversified portfolio of investments spread across various market sectors, which includes rules limiting the size of investment in any particular investment collective in line with the FCA Regulations.

21.20 Credit Risk

Some of the Collective Investment Schemes in which the Funds invest may invest in bonds. Bond investments are exposed to credit risk, meaning the risk that a bond issuer could fail to meet its obligations. A Fund will seek to minimise credit risk by ensuring that all Collective Investment Schemes held are approved by the ACD. This approval process assesses the control processes and procedure of the management company of each collective, and ensures that the collective is consistent with the risk profile of the Fund.

21.21 Liquidity Risk

The Funds seek to minimise liquidity concerns related to Collective Investment Schemes in which they invest by ensuring that all collectives held are approved by the ACD. This approval process ensures that the collective is invested in readily realisable securities, and limits holdings in collectives with lower levels of liquidity to ensure adequate liquidity within the Funds as a whole.

21.22 Real Estate

The Collective Investment Schemes in which some of the Funds invest may invest directly in real estate. Real estate investments typically have increased liquidity risks compared to bonds and equities as real estate can be more difficult to buy and sell than other asset classes. In addition real estate valuations are typically provided by an independent valuer and are subject to the valuer's opinion and interpretation of prevailing market conditions. Forced sales of real estate may also result in the amount the Collective Investment Scheme receives for selling an asset being less than the value assumed in the valuation of that Collective Investment Scheme. The Collective Investment Schemes invested in real estate may also be exposed to risks associated with: overbuilding and increased competition; increases in property taxes and operating expenses; variations in rental income; increases in interest rates; and other influences of capital markets on real estate.

21.23 Commodities

The Collective Investment Schemes in which some of the Funds may invest may have exposure to commodities. The market for commodities may be more volatile than that of other asset types, which means there may be times when it is difficult to buy or sell them or to achieve value in doing so, and this could have an impact on the value of a Fund's holding in such a Collective Investment Schemes.

21.24 Passively Managed Collective Investment Scheme Risks

Please note that some capitalised terms used in this Section 21.24 are defined and explained in "General Information and Glossary of Terms used in Investment Objectives, Policies and Other Details of the Funds" in Appendix 1.

A Fund may invest in Passively Managed Collective Investment Schemes which have the following associated risks:

- (a) **Passive Investment Risk:** Passively Managed Collective Investment Schemes may be affected by a general decline in market segments reflected in their benchmark Index. A Passively Managed Collective Investment Scheme may underperform an Actively Managed Collective Investment Scheme, or vice versa;
- (b) **Index Tracking Risks:** Passively Managed Collective Investment Schemes which seek to track the performance of a benchmark Index are unlikely to perfectly track such an Index due to the impact of charges (which will negatively impact performance versus the Index) and the level of replication of the Index (which can impact performance versus the Index positively or negatively). Such Passively Managed Collective Investment Schemes will therefore be subject to tracking error risk such that their returns will not track exactly those of their benchmark Index;
- (c) **Index-related Risks:** in order to meet its objective, an Index tracking Collective Investment Scheme seeks to achieve a return which corresponds generally to the price and yield performance, before fees and expenses, of the relevant benchmark Index as published by the provider of the Index. There is no assurance that such provider will compile the benchmark Index accurately, or that the benchmark Index will be determined, composed or calculated accurately. The Index provider also does not guarantee that the benchmark Index will be in line with its described Index methodology.

ADDITIONAL RISKS REGARDING SANTANDER MAX 50% SHARES PORTFOLIO AND SANTANDER MAX 70% SHARES PORTFOLIO

21.25 Use of quantitative models

Each of these Funds uses a systematic, rules-based investment process which includes quantitative models. Flaws or errors in a quantitative model's design, assumptions, execution, or data inputs may mean that the process may not identify particular investment opportunities or risks, or it may not perform as expected. Errors in the data used in these models may occur from time to time and may not be identified and/or corrected before investment decisions have been implemented and could, therefore, have an adverse impact on a Fund's performance or on its aim to achieve the investment objectives.

The systematic rules-based investment process uses the following models:

- A "Risk Parity Strategy" which aims to generate less volatile returns for the Fund when compared to the Fund's Target Benchmark. When selecting assets under this strategy it may not be able to benefit from market upswings in the same way that other investment strategies might be able to. However, this will be with the intention of managing the Fund's volatility; and
- A "Momentum Strategy" which is the principal way in which the Sub-Investment Manager aims to outperform the Fund's Target Benchmark. This seeks exposure to those types of assets whose returns have been more favourable when measured over specific time periods (which are different to the time periods in the Fund's investment objectives), when compared to other assets which are available for investment. The strategy takes into consideration the consistency and stability of returns over time and favours those types of assets with higher and more stable returns. The strategy does not consider the reasons why an asset has a higher and more stable return and is only concerned with what the return is. As it only considers returns over specific time periods, the Fund will not be able to take advantage of preferable returns which are outside of those specific time periods, however the strategy aims to reduce the risk of the Fund being exposed to short term changes in market movements. There is no guarantee that higher and more stable past returns will mean similar or increased returns in the future and so the Fund may experience losses if returns fall or stop. The investment limits the Fund is subject could restrict the Momentum Strategy from operating in the most beneficial way, although this is not expected to be the case.

There is no guarantee that the use of quantitative models will enable either Fund to achieve its investment objectives.

22. FEES AND EXPENSES

22.1 ACD's Fees and Expenses

Initial Charge

The ACD may impose an initial charge on the purchase of Shares. The rate of the initial charge for each Class (which is a percentage of the amount being subscribed) is set out in the details of each Fund in Appendix 1. In practice the initial charge may be lower than the amount stated or may be waived in the ACD's discretion. The ACD may only change the current initial charge in accordance with the FCA Regulations.

Redemption Charge

The ACD does not currently impose a redemption charge on a cancellation or redemption of any Shares. The ACD may only change the current redemption charge in accordance with the FCA Regulations. If such a charge was introduced, it would not apply to Shares issued before the date of the introduction (i.e. those not previously subject to a redemption charge).

Switching Charge

The ACD may impose a switching charge on a switch of Shares for Shares of the same Class of another Fund only where that other Fund has a higher initial charge. The charge will be the difference between the two initial charges.

Annual Management Charge

The rate of annual management charge for each Class of each Fund is set out in Appendix 1. In practice this charge may be lower than the amount stated at the discretion of the ACD. The annual management charge is payable to the ACD who is responsible for paying any Sub-Investment Managers from this amount.

The annual management charge accrues daily and is payable monthly in arrears. The daily calculation is based on the value of the scheme property of the relevant Fund attributable to that Class valued as at 12noon UK time on the previous day, adjusted to take account of instructions which have been received to buy or sell Shares in the relevant Fund.

The extent to which all or part of the ACD's annual management charge may be charged against the capital of a Fund instead of against the income of a Fund will only be carried out with the approval of the Depositary. This treatment of the ACD's annual management charge may increase the amount of income available for allocation to Shareholders in the Fund concerned but may constrain capital growth.

Currently, for each Fund, the annual management charge is charged against income (as opposed to capital), except for Santander Enhanced Income Portfolio where it is charged against capital. See Section 22.8 for further details.

The current annual management charge payable to the ACD for a Share Class may only be increased, or a new type of remuneration introduced, in accordance with the FCA Regulations.

Sub-Investment Managers' Fees

The fees and expenses of any Sub-Investment Manager are paid by the ACD out of its remuneration under the ACD Agreement.

Expenses

The ACD is entitled to recover out of the scheme property of the Company all reasonable and properly evidenced out-of-pocket expenses incurred in the performance of its duties as ACD as well as any expenses incurred for the establishment and maintenance of the Register. The list set out at Section 22.5 includes the types of expenses which may be incurred by the ACD and which are recoverable from

the scheme property of the Company.

Expenses accrue daily and are payable monthly or quarterly depending on the expense.

22.2 Depositary's Fees and Expenses

The Depositary receives for its own account a periodic fee. This fee accrues and is payable from the scheme property in respect of the same accrual intervals and on the same dates as the ACD's annual management charge. The Depositary's current fees and charges for each Fund are:

- if the total net assets of the Company are equal to or less than £250,000,000, 0.01%;
- in respect of net assets in excess of £250,000,000 and equal to or less than £500,000,000, 0.0075%;
- in respect of net assets in excess of £500,000,000 and equal to or less than £1,000,000,000, 0.005%;
- in respect of net assets above £1,000,000,000, 0.002%.

These rates may be varied from time to time with the agreement of the ACD in accordance with the FCA Regulations.

22.3 Transaction and Custody Charges

The Custodian is entitled to receive out of the scheme property of the Company transaction and custody charges as agreed between the Depositary and the ACD from time to time.

Transaction charges vary depending on the jurisdiction in which the particular property of the Funds is held. Transaction charges for the likely investment areas of the Funds range from £4 to £25 depending on the location and are made in respect of individual transactions and accrue at the time the transactions are effected. Custody charges vary according to geographic location and market value of holdings, and range from 0.00125% to 0.18% per annum. These charges are calculated as a percentage rate of the value of the property of each Fund under custody in the various jurisdictions, and are payable monthly in arrears.

22.4 Expenses

The Depositary is also entitled to recover out of the scheme property of the Company reasonable out of pocket expenses properly incurred by it (as well as, where agreed with the ACD, its sub-custodians and agents) in the performance of its duties and responsibilities as Depositary. The duties and responsibilities for which reimbursement to the Depositary may be made include (but shall not be limited to):

- (a) delivery and receipt of scheme property of the Company (including registration thereof);
- (b) holding, acquiring, realising or otherwise dealing with any scheme property of the Company (including insuring any scheme property);
- (c) registration and custody of scheme property of the Company and documents relating to them;
- (d) exercise of voting rights attaching to scheme property of the Company;
- (e) collection of income and capital;
- (f) effecting banking and currency transactions and transmitting money;
- (g) preparation of the Depositary's annual report and other reports to Shareholders;
- (h) enquiry into the ACD's conduct;

- (i) enquiry into the Company's management;
- (j) obtaining advice pertinent to its role as Depositary including legal, accountancy and valuation advice;
- (k) instituting and conducting legal proceedings;
- (l) preparing for, convening (if necessary) and attending general meetings or Class meetings of the Company;
- (m) such other duties, powers and responsibilities the Depositary is required or empowered, or may be so required or empowered from time to time, by the Depositary Agreement, the OEIC Regulations, the FCA Regulations or by other applicable law to perform or, where appropriate, the successor, re-enactment or modification of such; and
- (n) any value added tax that may be payable on any of the above expenses.

22.5 Other Expenses

The Company may pay the following expenses out of the property of the Company:

- (a) fees and expenses payable to the ACD and the Depositary as described above;
- (b) stamp taxes and other transaction taxes, brokerage or other expenses incurred in acquiring and disposing of investments or the sale, redemption, creation or cancellation of Shares;
- (c) fees in respect of publication and circulation of Net Asset Value and Share prices;
- (d) fees and expenses of the Auditors as well as tax, legal and other professional advisors of the Company;
- (e) brokers' bond and errors and omissions insurance taken out and maintained in relation to the Company;
- (f) costs of annual general meetings and any other meetings of the Company, the Funds or a Class of a Fund;
- (g) costs of producing, printing and distributing reports, accounts, notices to Shareholders and the Prospectus to Shareholders;
- (h) costs incurred as a result of an update of the Prospectus or amendment of the Instrument of Incorporation and any other administrative expenses;
- (i) costs in relation to allocations of income and related notifications to Shareholders;
- (j) interest on borrowings and charges incurred in negotiating borrowings or varying the terms of such borrowings;
- (k) costs of listing Shares of any Fund;
- (l) fees of the FCA under section 17 of Schedule 1 of the Act or the corresponding periodic fees of any regulatory authority in a country or territory outside the United Kingdom in which Shares of any Fund may be marketed, and any related costs incurred in relation to obtaining and / or maintaining a regulatory status in a country or territory outside the United Kingdom;
- (m) any expense incurred in relation to company secretarial duties including the cost of maintenance of minute books, the Register and other documentation required to be maintained by the Company;
- (n) such other expenses as the ACD resolves are properly payable out of the scheme property of the

Company; and

- (o) any value added tax that may be payable on any of the above expenses.

Any third party research received in connection with the investment management of the Funds will be paid for by the ACD.

22.6 Allocation of Fees and Expenses between Funds

Fees and expenses which are directly attributable to a particular Class of any Fund are charged to that Class.

Fees and expenses which are attributable to a particular Fund are charged to that Fund. If there is more than one Class in issue in the relevant Fund, they will normally be allocated pro rata to the value of the scheme property attributable to those Classes.

Fees and expenses which are attributable to the Company generally will normally be charged to each of the Funds (and its Classes) pro rata to the value of the scheme property attributable to that Fund (and its Classes).

The ACD has discretion to allocate these fees and expenses in a different manner which it considers fair to Shareholders as a whole.

22.7 Profits or Benefits Made from Dealings in Shares or Other Transactions

The Company, the Depositary, the Custodian, the ACD, the Auditors or any other "affected persons" are not liable to account to each other or to Shareholders for any profits or benefits made or received which derive from or in connection with dealings in the Shares or any transaction in the scheme property of the Company or the supply of services to the Company.

22.8 Allocation of Payments to Capital or Income

Where the investment objective of a Fund is to treat the generation of income as a higher or equal (in the long term) priority to capital growth, all or part of the ACD's fees and expenses, and/or other fees and expenses, may be charged against capital instead of against income. This will only be done with the approval of the Depositary. This treatment of the fees and expenses will increase the amount of income available for allocation to Shareholders in the Fund concerned but may constrain capital growth.

However, if the ACD is of the opinion that there is insufficient capital in a Fund to meet the relevant fees and expenses, such fees and expenses may be deducted from income. Where fees and expenses for a Fund are charged against income, this will reduce the amount of income available for allocation to Shareholders in the Fund concerned, but may preserve capital growth.

Currently all payments out of scheme property, including the annual management charge, are taken from income (other than payments made as a result of effecting transactions which are taken from capital) rather than capital (and only if there is insufficient income will the excess be deducted from capital, which may constrain capital growth), except for Santander Enhanced Income Portfolio where all payments out of scheme property are taken from capital instead of income (which may constrain capital growth).

22.9 OCF Cap

A Fund may operate with an "OCF cap" in respect of one or more of its Share Classes. This means that the ongoing charges figure ("OCF") the Share Class is subject to is set at a fixed maximum amount. Where a Share Class has an OCF cap this will be included in Appendix 1.

Where a Share Class has an OCF cap, if the costs which are included in the OCF calculation exceed the amount of the cap then the ACD will pay any excess out of its own resources. Where the OCF calculation is equal to or below the OCF cap, the Share Class will pay this amount.

22.10 Investment in Other Collective Investment Schemes

Where a Fund invests any amount in units in another Collective Investment Scheme(s) it will be subject to the charges applicable to investing in that Collective Investment Scheme(s), including the management fees and any initial charge (on the purchase of units) and redemption charge (on the sale of units).

However, where the other Collective Investment Scheme(s) is managed or operated by the ACD (or another company in the same group of companies as the ACD), the ACD must pay to the Fund any initial or redemption charges (where these are applied) which the Fund has paid when buying or selling units, as applicable, in that other Collective Investment Scheme(s). The ACD is under no obligation to pay to the Fund the annual management fee payable to the ACD (or other group company) which the Fund had to pay when investing in that other Collective Investment Scheme(s). However, for Collective Investment Schemes managed or operated by the ACD, the ACD has rebate arrangements in place in relation to the annual management fee it charges when investment is made in that other Collective Investment Scheme(s), meaning some of that fee will be paid back to the Fund. For Collective Investment Schemes managed or operated by another group company, the ACD may have rebate arrangements in place in relation to the annual management fee that group company charges when investment is made in that other Collective Investment Scheme(s), meaning some of that fee may be paid back to the Fund. None of the Collective Investment Schemes managed or operated by the ACD have initial or redemption charges.

Each of the Funds except for Santander Enhanced Income Portfolio invests a substantial proportion of its scheme property in other Collective Investment Schemes (please see the relevant investment policy for further details including the amount of investment in other Collective Investment Schemes).

23. INCOME

23.1 Accounting Periods

The annual accounting period of the Company ends each year on 31 March. Details of the accounting periods and income distribution dates for each Fund are set out in Appendix 1.

23.2 Income Distributions

No distributions of income will take place in respect of accumulation Shares. Income attributable to accumulation Shares is automatically transferred to (and retained as part of) the capital assets of the relevant Fund.

The amount attributable to each Class in any accounting period is calculated by:

- taking the aggregate of the income property received or receivable for the account of the relevant Fund for that accounting period;
- deducting the charges and expenses of the Fund paid or payable out of income property for that accounting period;
- adding the ACD's best estimate of tax relief on these expenses and charges; and
- making certain other adjustments which the ACD considers appropriate in relation to tax and other issues.

Income available for allocation is allocated between Classes based on the respective values of the property of those Classes on a daily basis. Where a negative income position exists on a Class at the income allocation date a transfer is made from the capital of the Fund to the income in order to preserve full distribution for other Classes.

In respect of income Shares that may be in issue, allocations of income are made in respect of the income attributable to each Class in each accounting period.

The relevant distribution dates for each income Class are set out in Appendix 1. Distributions of income will take place by BACS transfer.

Any cash (other than unclaimed distributions) or assets due to Shareholders which are unclaimed for a period of six years (for cash) or twelve years (for assets) will cease to be Client Money or client assets and may be paid to a registered charity of the ACD's choice. The ACD will take reasonable steps to contact Shareholders regarding unclaimed cash or assets in accordance with the requirements set out in the FCA Handbook before it makes any such payment to charity. Payment of any unclaimed balance to charity will not prevent Shareholders from claiming the money or assets in the future.

If the Client Money or client assets are equal to or below a de minimis amount set by the FCA (£25 or less for retail Shareholders and £100 or less for professional Shareholders), the steps the ACD must take to trace the relevant Shareholders before paying the money or assets to charity are less but the ACD will still make efforts to contact the relevant Shareholders.

23.3 Income Equalisation

Part of the purchase price of a Share reflects the relevant share of the accrued income of the Fund. The first allocation of income in respect of a Share issued during an accounting period includes a capital sum by way of income equalisation.

For each Class the amount of income equalisation is calculated by dividing the aggregate of the amounts of income included in the price of Shares of that Class issued in an accounting period by the number of those Shares, and applying the resultant average to each of the Shares.

24. REPORTS TO SHAREHOLDERS

The annual reports of the Company are published on or before 31 July and half yearly reports by 30 November each year.

Copies of annual and half-yearly long reports may be requested from the ACD or inspected at FNZ TA Services Ltd, Level 7, 2 Redman Place, Stratford, London E20 1JQ, United Kingdom.

25. UNITED KINGDOM TAXATION

25.1 General

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs practice, both of which are subject to change. It summarises the tax position of the Funds and of Shareholders who are United Kingdom resident (except where indicated) and hold Shares as investments. Please note that the tax treatment of investors depends on their individual circumstances and may be subject to change in the future. Prospective investors who are in any doubt about their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom are recommended to take professional advice.

25.2 The Funds

Each Fund is treated as a separate entity for United Kingdom tax purposes. The Funds are generally exempt from United Kingdom tax on capital gains realised on the disposal of investments or securities (including interest-paying securities and derivatives but excluding non-reporting offshore funds) held within them.

Dividends from companies are generally exempt from tax when received by a Fund. In some cases dividends from non-United Kingdom companies may be subject to foreign withholding tax. The Company will normally be able to recover part of any tax withheld from the foreign tax authority under the United Kingdom's double taxation agreements. Where a Fund suffers any irrecoverable foreign tax on income received then it may be able to set that foreign tax against any United Kingdom tax payable on the income, otherwise it will be a cost to the Fund.

Other (non-dividend) income received by a Fund will, after deduction of allowable management fees

and other costs, as well as interest distributions where relevant, normally be subject to corporation tax at 20%.

A Fund which is over 60% invested in interest paying and economically equivalent investments for the whole of its distribution period can pay interest distributions.

25.3 Income

A Fund may pay either dividend distributions or interest distributions depending on the investments held by it, and these are automatically retained in the relevant Fund in the case of accumulation Shares.

Equity Funds

Where a Fund pays dividend distributions, these are paid without any deduction of tax. The first £2,000 of dividends, including dividend distributions from a Fund, paid to an individual (or, in the case of accumulation Shares, retained in a Fund and reinvested) in any tax year are tax-free (the dividend allowance). Where an individual's total dividends from all sources paid or treated as paid to an individual are more than the dividend allowance in a tax year, then the amount over the allowance is taxable at dividend tax rates which depend on the individual's circumstances. These rates are (in 2020/21): 0% for an individual with unused personal allowance, 7.5% for a basic rate taxpayer, 32.5% for a higher rate taxpayer or 38.1% for an additional rate taxpayer.

Corporate Shareholders who receive dividend distributions may have to divide them into two (the division will be indicated on the tax voucher). Any part representing income which has been liable to corporation tax in the Fund must be treated by the corporate Shareholder as an annual payment made after deduction of income tax at the basic rate, and corporate Shareholders may be subject to tax on the grossed up amount, with the benefit of a 20% deemed income tax deduction, or be able to reclaim part or all of the deemed tax deducted (excluding any representing foreign tax) as shown on the tax voucher. The remainder (including any part representing dividends received by the Fund from a company) will be treated as dividend income and, consequently, will be exempt from corporation tax.

Non-United Kingdom resident Shareholders will generally have no United Kingdom tax liability on dividend distributions.

Bond Funds

A Fund which is over 60% invested in interest-paying and economically equivalent investments for the whole of its distribution period can pay interest distributions. These are generally known as "bond funds" for United Kingdom tax purposes. The only Fund which is currently a bond fund is Santander Sterling Bond Portfolio. Funds which are bond funds pay interest distributions (instead of dividend distributions) which will be automatically retained in the relevant Fund in the case of accumulation Shares in such Funds, or distributed to Shareholders in the case of income Shares in such Funds. Any such interest distributions to Shareholders will be paid gross (that is, without any income tax being deducted and paid to HM Revenue & Customs) and Shareholders will be responsible for paying any income or other tax they are liable to on their interest distributions.

Individuals have been entitled to a personal savings allowance in each tax year (£1,000 for nil or basic rate taxpayers, £500 for higher rate taxpayers and zero for additional rate taxpayers). Where a UK individual taxpayer's interest and interest distribution have used up the applicable personal savings allowance for a tax year, then any remaining amount will be liable to basic rate income tax at 20% or higher rate income tax at 40%, as appropriate. Additional rate taxpayers will be liable to income tax at 45% on the entire amount.

If a United Kingdom corporate taxpaying investor owns Shares and, during the investor's accounting period the relevant Fund has at any time more than 60% by market value of its investments in debt securities, money placed at interest (other than cash awaiting investment), building society shares or in holdings in unit trusts, open-ended investment companies or other offshore funds with, broadly, more than 60% of their investments similarly invested, then the loan relationship rules will apply to the investor for its relevant accounting period. All such Shareholders subject to United Kingdom corporation tax must treat their holding in the Fund as a creditor loan relationship, including the amount of any

distributions, subject to a fair value basis of accounting, and they will be liable to tax accordingly.

Non-United Kingdom resident Shareholders are also entitled to receive interest distributions without any deduction of income tax and they will not need to claim a refund from HM Revenue & Customs.

25.4 Income Equalisation

The first income distribution received by a Shareholder after buying Shares may include an amount of income equalisation. This is effectively a repayment of the income equalisation paid by the Shareholder as part of the purchase price, and is a return of capital and not taxable. Rather it should be deducted from the acquisition cost of the Shares for capital gains tax purposes, except when it is credited in respect of accumulation Shares. Equalisation is applied on all of the Funds.

25.5 Gains

Shareholders who are resident in the United Kingdom for tax purposes may, depending on their personal circumstances, be liable to capital gains tax or, if a corporate Shareholder, corporation tax on gains arising from the redemption, transfer or other disposal of Shares (but not usually on switches between Classes within a Fund).

Part of any increase in value of accumulation Shares represents the accumulation of income. The net amount of income accumulated (including equalisation but after deduction of tax, where relevant) may be treated as additional acquisition costs when calculating the capital gain realised on their disposal.

Corporation taxpayers holding Shares in any Fund that is invested 60% or more in interest-paying investments or economically equivalent assets at any time in the investor's accounting period must treat their holding of Shares as a creditor relationship subject to a fair value basis of accounting for that period. Any chargeable gain for previous periods when the 60% limit was not exceeded is taxable only when the holding is realised.

Individual Shareholders will find further information in HM Revenue & Customs Help Sheets for the capital gains tax pages of their tax returns.

25.6 Reporting Requirements

In order to comply with legislation implementing the United Kingdom's obligations relating to the automatic exchange of information to improve international tax compliance (including United States FATCA), the Company may collect and report information about Shareholders and their investments in the Funds including information to verify their identity and tax status.

When requested to do so by the Company or its agent, Shareholders must provide information to be passed on to HM Revenue & Customs, and, by them, to any relevant overseas tax authorities.

By subscribing for Shares in the Company, each Shareholder is agreeing to provide all necessary information upon request from the Company or its delegate.

26. CHANGE PROCESS

Changes to a Fund or the Company may be made in accordance with the method of classification below.

- (a) A fundamental change is a change or event which:
 - (i) changes the purpose or nature of a Fund;
 - (ii) may materially prejudice a Shareholder;
 - (iii) alters the risk profile of a Fund; or
 - (iv) introduces any new type of payment out of relevant scheme property.

The ACD will obtain prior approval from relevant Shareholders to any fundamental change by way of an extraordinary resolution of the Shareholders of the relevant Fund.

- (b) A significant change is a change or event which the ACD has determined is not a fundamental change but is a change which:
- (i) affects a Shareholder's ability to exercise his rights in relation to his investment;
 - (ii) would reasonably be expected to cause a Shareholder to reconsider his participation in a Fund;
 - (iii) results in any increased payments out of the scheme property of the relevant Fund to the ACD or any of its associate companies; or
 - (iv) materially increases other types of payment out of scheme property of the relevant Fund.

The ACD will give Shareholders at least 60 days' notice before implementing any significant change.

- (c) A notifiable change is any change or event, other than a fundamental change or a significant change unless the ACD concludes that the change or event is insignificant.

The ACD will give Shareholders written notice of any fundamental change or significant change. Depending on the nature of the change, the ACD will inform Shareholders of notifiable events either by: sending of an immediate notification to Shareholders; publishing information about the change on its website; or including the information in the next report for the relevant Fund.

27. SHAREHOLDER MEETINGS AND VOTING RIGHTS

The ACD has chosen to dispense with the need to hold annual general meetings. Additional general meetings may be convened at any time and notice of the date, place and time of any general meeting of Shareholders will be provided to them.

The convening and conduct of Shareholder meetings and the voting rights of Shareholders at those meetings is governed by the FCA Regulations and summarised below.

A meeting of all Shareholders in the Company, any Fund or any Class may be convened. All references below to a meeting apply equally to Company, Fund and Class meetings.

27.1 Requisitions of Meetings

The ACD may convene a meeting at any time. Shareholders registered as holding at least one tenth in value of all the relevant Shares then in issue may require that a meeting be convened. A requisition by Shareholders must state the objects of the meeting and be dated and signed by those Shareholders then deposited at the Company's registered office. The ACD must then convene a meeting no later than eight weeks after receipt of such requisition.

27.2 Notice and Quorum

Shareholders will receive at least 14 days' notice of a meeting. They are entitled to be counted in the quorum and vote at a meeting either in person or by proxy. The quorum for a meeting is two Shareholders, present in person or by proxy.

27.3 Voting Rights

Every Shareholder who (being an individual) is present in person, or (being a corporation) by its properly authorised representative, shall have one vote on a show of hands. A Shareholder may vote in person or by proxy on a poll vote, and any Shareholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

For some resolutions, for example to approve certain amendments to the Instrument of Incorporation, an extraordinary resolution is required. For an extraordinary resolution to be passed, at least 75% of the votes cast at the meeting must be in favour of it.

For other resolutions, an ordinary resolution is required. For an ordinary resolution to be passed, more than 50% of the votes cast at the meeting must be in favour of it.

The rights attached to a Class may only be varied in accordance with the FCA Regulations.

The ACD will not be counted in the quorum for a meeting. The ACD and its associates are not entitled to vote at any meeting, except in respect of Shares which the ACD or an associate holds on behalf of or jointly with a person who, if itself the registered Shareholder, would be entitled to vote and from whom the ACD or its associate has received voting instructions.

Shareholders for the purposes of attending and voting at a meeting means those on the date seven days before the notice of the relevant meeting was sent out, but excludes holders those who are known to the ACD not to be Shareholders at the time of the meeting.

Any joint Shareholders may vote provided that if more than one joint holder of a Share votes, the most senior joint Shareholder in the Register who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholder.

28. WINDING UP OF THE COMPANY OR TERMINATING A FUND

28.1 The Company

The Company may not be wound up except:

- by a court as an unregistered company under Part V of the Insolvency Act 1986; or
- if the Company is solvent, under the provisions of the FCA Regulations.

To wind up the Company under the FCA Regulations, the ACD must notify the FCA of the proposal, confirming that the Company will be able to meet all its liabilities within the following 12 months.

Under the FCA Regulations the Company must be wound up or a Fund terminated:

- (a) if an extraordinary resolution is passed to that effect;
- (b) if the FCA agrees to a request by the ACD for revocation of the order in respect of the winding up of the Company or termination of a Fund (provided no material change in any relevant factor occurs prior to the date of the relevant revocation);
- (c) on the occurrence of an event specified in the Instrument of Incorporation as triggering a winding up of the Company or termination of a Fund;
- (d) when the period (if any) fixed for duration of the Company or a particular Fund by the Instrument of Incorporation expires or any event occurs on the occurrence of which the Instrument of Incorporation provides that the Company is to be wound up or a particular Fund terminated (for example if the Net Asset Value of a Fund is less than £5,000,000 at any time more than one year after the first issue of Shares in that Fund);
- (e) in the case of the Company, on the effective date of a duly approved scheme of arrangement which is to result in the Company ceasing to hold any scheme property;
- (f) in the case of a Fund, on the effective date of a duly approved scheme of arrangement which is to result in the Fund ceasing to hold scheme property; or
- (g) on the date when all Funds fall within (f) above or have otherwise ceased to hold any scheme property, notwithstanding that the Company may have assets and liabilities that are not attributable

to any particular Fund.

On the occurrence of any of the above:

- FCA Regulations relating to dealing, valuation, pricing, investment and borrowing will cease to apply to the Company or the Fund;
- the Company will cease to issue and cancel Shares in the Company or the Fund;
- the ACD will cease to sell or redeem Shares or arrange for the Company to issue or cancel them for the Company or the Fund;
- no transfer of Shares will be registered and no change to the Register will be made without the sanction of the ACD;
- where the Company is to be wound up, it will cease to carry on its business except as is required for its beneficial winding up; and
- the corporate status and corporate powers of the Company and (subject to the provisions above) the powers of the ACD continue until the Company is dissolved.

The ACD will, as soon as practicable after the Company or the Fund falls to be wound up or terminated (as appropriate) realise the assets and meet the liabilities of the Company or the Fund and, after paying out or retaining adequate provision for all liabilities properly payable and retaining provision for the costs of winding up or termination, arrange for the Depositary to make one or more interim distributions out of the proceeds to Shareholders proportionately to their rights to participate in the property of the Company or the Fund.

If the ACD has not previously notified Shareholders of the proposals to wind up the Company or to terminate the Fund, it will, as soon as practicable after the commencement of the winding up of the Company or termination of the Fund, give written notice of this commencement to Shareholders. When the ACD has caused all of the relevant property and all of the liabilities of the Company or the particular Fund to be realised, it will arrange for the Depositary to make a final distribution to Shareholders on or prior to the date on which the final account is sent to Shareholders of any balance remaining in proportion to their holdings in the Company or a particular Fund.

As soon as reasonably practicable after completion of the winding up of the Company or the termination of a particular Fund, the Depositary will notify the FCA that the winding up or termination has been completed.

Following the completion of a winding up of the Company or termination of a Fund, the ACD must prepare a final account showing how the winding up or termination took place and how the property was distributed. The Auditors will make a report in respect of the final account stating their opinions as to whether it has been properly prepared. This final account and the Auditors' report on it must be sent to the FCA and to each affected Shareholder (or the first named of joint Shareholders) within four months of the completion of the winding up or termination.

As the Company is an umbrella company, each Fund has a specific segregated portfolio of assets and any liabilities attributable or allocated to a particular Fund shall be met out of the property attributable, or allocated to, that particular Fund. Accordingly, the assets of each Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose. Any liabilities, expenses, costs or charges which are not attributable to one Fund only and allocated in accordance with the FCA Regulations, may be re-allocated by the ACD provided that such re-allocation shall be done in a manner which is fair to Shareholders generally.

29. GENERAL INFORMATION

29.1 Unclaimed Income Distributions

Any income distribution payment in respect of income Shares is paid by BACS. If payment is not claimed within six years of the date of payment, it is forfeited by the Shareholder and reverts to the capital property of the relevant Fund.

29.2 Documents of the Company

The following documents may be inspected free of charge between 9am and 5pm on every Business Day at FNZ TA Services Ltd, Level 7, 2 Redman Place, Stratford, London E20 1JQ, United Kingdom:

- (a) the most recent annual and half yearly reports of the Company;
- (b) the Prospectus;
- (c) the Instrument of Incorporation;
- (d) the ACD Agreement; and
- (e) the NURS KII for each Class.

Shareholders may obtain copies of the above documents free of charge from the same address and documents (a), (b) and (e) are available at www.santanderassetmanagement.co.uk.

29.3 Complaints

Complaints concerning the operation or marketing of the Funds may be referred to the ACD by email to SAMUKComplaints@santanderam.com, or by post to Santander Asset Management UK: Commercial Team, 287 St. Vincent Street, Glasgow G2 5NB, United Kingdom. Complaints may also be made direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR, United Kingdom.

29.4 Compensation

A Shareholder's investments in a Fund may be covered by the Financial Services Compensation Scheme. Depending on the claimant's eligibility and the circumstances of the claim, Shareholders may be entitled to compensation from this scheme if the Company or the ACD cannot meet their obligations. Most types of investments are covered by this scheme up to £85,000. Further information regarding the conditions governing compensation and the formalities which must be completed to obtain compensation are also available on request.

29.5 Governing Law

All deals in Shares are governed by the Laws of England and Wales.

29.6 Telephone recording

Please note that the ACD, and, if appointed, any sub-investment manager(s), will take all reasonable steps to record telephone conversations, and keep a copy of electronic communications, that relate to instructions to deal in the Funds or the management of the Funds. The ACD may also record telephone calls for security, training and monitoring purposes, to confirm investors' instructions and for any other regulatory reasons. Recordings will be provided on request for a period of at least five years from the date of such recording, or, where requested by a competent regulatory authority, for a period of seven years.

29.7 The use of benchmark indices

The ACD is required to produce and maintain robust written plans setting out the actions the ACD will take in the event that a benchmark used by the ACD in relation to a Fund materially changes or ceases to exist. Further information on the ACD's plans are available from the ACD on request. As at the date of this Prospectus this is applicable to all Funds except Santander Atlas Portfolio 6.

30. LIQUIDITY MANAGEMENT

The ACD's liquidity management policy is detailed within its risk management policy and is subject to change and regular review. Liquidity is managed so as to ensure that actual and potential sales of Shares can be met whilst also ensuring that there is sufficient flexibility to meet investment objectives. To manage liquidity, the ACD takes into account redemption profiles, market conditions and actual and potential levels of redemptions. If any new arrangements are put in place for managing the liquidity of the Funds the ACD will notify Shareholders of this as well as amending the ACD's liquidity management policy.

As part of its obligations under FCA Regulations, the ACD is required to inform Shareholders of the percentage of a Fund's assets that are subject to any special arrangements arising from their illiquid nature. Currently there are no such special arrangements and the ACD will notify Shareholders if this changes.

31. DELEGATION AND CONFLICTS OF INTEREST

31.1 Delegation

When delegating the task of carrying out one or more functions on its behalf, the ACD must comply, in particular, with the following general principles:

- the delegation structure must not allow for the circumvention of the ACD's responsibilities or liability;
- the obligations of the ACD towards the relevant Fund and its Shareholders must not be altered as a result of the delegation;
- the conditions with which the ACD must comply in order to be authorised and carry out activities in accordance with the UK AIFM Regime are not undermined;
- the delegation arrangement must take the form of a written agreement concluded between the ACD and the delegate;
- the ACD must ensure that the delegate carries out the delegated functions effectively and in compliance with applicable law and regulatory requirements, and establish methods and procedures for reviewing on an ongoing basis the services provided by the delegate. The ACD shall take appropriate action if it appears that the delegate cannot carry out the relevant functions effectively or in compliance with applicable laws and regulatory requirements;
- the ACD must supervise effectively the delegated functions and manage the risks associated with the delegation. For this purpose it must have at all times the necessary expertise and resources to supervise the delegated functions. The ACD shall set out in the relevant delegate agreement its right of information, inspection, admittance and access, and its instruction and monitoring rights against the delegate. The ACD shall also ensure that the delegate properly supervises the performance of the delegated functions and adequately manages the risks associated with the delegation;
- the ACD must ensure that the continuity and quality of the delegated functions or of the delegated task of carrying out functions are maintained in the event of termination of the delegation either by transferring the delegated functions or the delegated task of carrying out functions to another third party or by performing them itself;
- the respective rights and obligations of the ACD and the delegate must be clearly allocated and set out in the relevant agreement. In particular the ACD shall contractually ensure its instruction and termination rights, its rights of information and its right to inspections and access to books and premises of the delegate. The agreement shall make sure that sub-delegation can take place only with the consent of the ACD;
- where it concerns portfolio management, any delegation must be in accordance with the

investment policy of the relevant Fund. The delegate shall be instructed by the ACD how to implement this investment policy and the ACD shall monitor whether the delegate complies with it on an ongoing basis;

- the ACD must ensure that the delegate discloses to the ACD any development that may have a material impact on the delegate's ability to carry out the delegated functions effectively and in compliance with applicable laws and regulatory requirements;
- the ACD must ensure that the delegate protects any confidential information relating to the ACD, the relevant Fund(s) and the relevant Shareholders;
- the ACD must ensure that any delegate establishes, implements and maintains a contingency plan for disaster recovery and periodic testing of backup facilities while taking into account the types of delegated functions.

31.2 Conflicts of interest

In accordance with the UK AIFM Regime, the criteria to assess whether a delegation conflicts with the interests of the ACD or the Shareholders in each Fund shall at least include:

- where the ACD and the delegate are members of the same group or have any other contractual relationship, the extent to which the delegate controls the ACD or has the ability to influence its actions;
- where the delegate and a Shareholder in the relevant Fund are members of the same group or have any other contractual relationship, the extent to which this Shareholder controls the delegate or has the ability to influence its actions;
- the likelihood that the delegate makes a financial gain, or avoids a financial loss, at the expense of the relevant Fund or the Shareholders in that Fund;
- the likelihood that the delegate has an interest in the outcome of a service or an activity provided to the ACD or the relevant Fund;
- the likelihood that the delegate has a financial or other incentive to favour the interest of another client over the interests of the relevant Fund or the Shareholders in that Fund;
- the likelihood that the delegate receives or will receive from a person other than the ACD an inducement in relation to the collective portfolio management activities provided to the ACD and the Funds it manages in the form of monies, goods or services other than the standard commission or fee for that service.

Portfolio or risk management functions may be considered to be functionally and hierarchically separated from other potentially conflicting tasks only where the following conditions are satisfied:

- persons engaged in portfolio management tasks are not engaged in the performance of potentially conflicting tasks such as controlling tasks;
- persons engaged in risk management tasks are not engaged in the performance of potentially conflicting tasks such as operating tasks;
- persons engaged in risk management functions are not supervised by those responsible for the performance of operating tasks;
- separation is ensured throughout the whole hierarchical structure of the delegate up to its governing body and is reviewed by the governing body and, where it exists, the supervisory function of the delegate.

Where portfolio management functions are delegated, the ACD will ensure that the delegate maintains

a written conflicts of interest policy.

Potential conflicts of interest shall be deemed properly prevented, identified, managed, monitored and, as a last resort, disclosed to Shareholders in a Fund only if:

- the ACD ensures that the delegate takes all reasonable steps to prevent, manage and monitor potential conflicts of interest that may arise between itself and the ACD, that Fund or the Shareholder in that Fund. The ACD shall ensure that the delegate has procedures in place corresponding to those required under the AIFMD Level 2 Regulations.
- the ACD ensures that the delegate discloses potential conflicts of interest as well as the procedures and measures to be adopted by it in order to manage such conflicts of interest to the ACD, which shall disclose them to the Company and the Shareholders in that Fund in accordance with the AIFMD Level 2 Regulations.

32. BEST EXECUTION

The ACD's best execution policy sets out the basis upon which it will effect transactions and place orders in relation to the Company. The ACD will act in the best interests of each Fund when executing decisions to deal on behalf of the relevant Fund. It will take all sufficient steps to obtain, when executing decisions to deal on behalf of the relevant Fund, the best possible result for each Fund taking into account factors such as price and costs. Details of this best execution policy are available on the ACD's website at www.santanderam.co.uk.

33. INDUCEMENTS

The ACD will not accept and retain any fees, commissions or monetary benefits, or accept any non-monetary benefits, where these are paid or provided by any third party or a person acting on behalf of that party. However, this does not apply to minor non-monetary benefits that are capable of enhancing the quality of the service provided to a Fund, and are of a scale and nature such that they could not be judged to impair the ACD's compliance with its duty to act honestly, fairly and professionally in the best interests of the relevant Fund.

In the event that the ACD receives any fees, commissions or monetary benefits from a third party in relation to any services provided to a Fund, the ACD will return these to the relevant Fund as soon as reasonably possible and inform Shareholders in the Fund about such fees, commissions and/or monetary benefits, as applicable.

34. FAIR TREATMENT OF INVESTORS

Procedures, arrangements and policies have been put in place by the ACD to ensure compliance with the principles of fair treatment of investors. These include but are not limited to:

- (a) acting in the best interest of the Funds and of Shareholders;
- (b) executing the investment decisions taken for the account of the Funds in accordance with the objectives, the investment policy and the risk profile of the Funds;
- (c) ensuring that the interests of any group of Shareholders are not placed above the interests of any other group of Shareholders;
- (d) ensuring that fair, correct and transparent pricing models and valuation systems are used for the Funds managed;
- (e) preventing undue costs being charged to the Funds and Shareholders;
- (f) taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of Shareholders; and

(g) recognising and dealing with complaints fairly.

APPENDIX 1

INVESTMENT OBJECTIVES, POLICIES AND OTHER DETAILS OF THE FUNDS

Investment of the assets of each Fund must comply with the COLL Sourcebook, the FUND Sourcebook and the Fund's own investment objective and policy.

Details of each Fund are set out below, including information on its investment objective and policy, available Classes, accounting reference dates, charges, minimum investment levels and distribution dates.

A detailed statement of the investment and borrowing restrictions applicable to each Fund is contained in Appendix 2. A list of the eligible securities and derivatives markets on which each Fund may invest is contained in Appendix 3.

GENERAL INFORMATION AND GLOSSARY OF TERMS USED IN INVESTMENT OBJECTIVES, POLICIES AND OTHER DETAILS OF THE FUNDS

1. Benchmarks

A Fund's benchmark will be defined in one of three ways:

- (i) as a "**Target Benchmark**", whereby a target for the Fund's performance has been set, or a payment out of Fund property is permitted, by reference to a comparison of one or more aspects of the Fund property or price with fluctuations in the value or price of an Index or Indices or any other similar factor;
- (ii) as a "**Constraint Benchmark**", whereby, without being a Target Benchmark, arrangements are in place in relation to the Fund according to which the composition of the portfolio of the Fund is, or is implied to be, constrained by reference to the value, the price or the components of an Index or Indices or any other similar factor;
- (iii) as a "**Comparator Benchmark**", whereby, without being a Target Benchmark or a Constraint Benchmark, the Fund's performance is compared against the value or price of an Index or Indices or any other similar factor.

Although a Fund's Benchmark will be defined in one of these ways, the full extent of how the Benchmark is relevant to the Fund will be explained in its investment objective and policy.

The ACD is required to produce and maintain robust written plans setting out the actions the ACD will take in the event that certain Indices used by the ACD in relation to one or more of the Funds materially changes or ceases to exist. Further information on the ACD's plans in this regard are available from the ACD on request. As at the date of this Prospectus this is applicable to all of the Funds apart from Santander Atlas Portfolio 6.

An "**Index**" is a hypothetical portfolio of investments which represents a segment of the financial market.

"**Tracking Error**" is a measure of the variation at a given time between the potential realised returns of: (i) a Fund's investments, and (ii) the investments which make up an Index. In general, the lower the Tracking Error, the lower the degree of variation of the Fund's potential realised returns from those of the relevant Index. However as the Tracking Error of an equity fund is calculated relative to an equity Index, whereas that of a bond fund is calculated relative to a bond Index, and also as the expected return and volatility levels between equities and bonds is different, comparing the level of Tracking Error for an equity fund against that for a bond fund may not be meaningful.

Where a Fund is managed with reference to an Index and subject to a Tracking Error, the ACD uses a forward looking measure and assumptions to calculate the Tracking Error (this is known as "ex-ante Tracking Error"), and consequently it is not guaranteed that the realised Tracking Error (this is known as "ex-post Tracking Error" as measured using historic Fund and Index returns) for the Fund will be equal to the Tracking Error specified.

2. Collective Investment Schemes

A "**Collective Investment Scheme**" is an investment fund used for collective investment by investors. Their money is invested on a pooled basis by an investment manager in return for a fee.

An "**Actively Managed Collective Investment Scheme**" is one where the fund manager seeks to add value by using its expertise and discretion to select investments which aim to meet the fund's investment objective, whereas a "**Passively Managed Collective Investment Scheme**" is designed to track the performance of an Index or another investment.

3. Derivatives

A "**Derivative**" is a contract which derives its value / price from an underlying asset, such as shares or bonds. A Fund may employ Derivatives in one or both of two ways:

- (i) for “**Efficient Portfolio Management**”, which means that Derivatives may be used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting the risk of the Fund;
- (ii) for “**Investment Purposes**”, which means that a Fund may also use them more widely as an investment strategy to meet its objective.

4. Hedging

A Fund may buy assets which are denominated in a foreign currency but “**Hedged to Pounds Sterling**”. Hedging is used by a Fund to reduce the effects of exchange rate movements between Pounds Sterling and the value of a foreign currency in which assets are traded. Hedging may also be used in other ways for Efficient Portfolio Management.

5. Duration of Bonds

“**Duration**” of bonds in which a Fund may invest is a mathematical calculation of the average life of a bond (or bonds in a bond fund) that serves as a measure of its price risk. Each year of duration represents an expected 1% change in the net asset value of a bond fund for every 1% immediate change in interest rates. For example, if a bond fund has an average duration of four years, its net asset value will fall about 4% when interest rates rise by 1%. Conversely, the bond fund’s net asset value will rise about 4% when interest rates fall by 1%.

6. Risk Categorisation Process

A Fund which has been designed by the ACD and Santander UK plc (the “**Bank**”) primarily for distribution to the Bank’s advised clients will within its investment policy or Further Information section be assigned a risk category as defined by the Bank’s risk categorisation process (a “**Risk Category**”). Each such Fund has a Risk Category set by the Bank based on a “Value at Risk” model, which aims to assess the possible losses during normal market conditions. Funds which are subject to a Risk Category may also be available to other investors who are not advised clients of the Bank.

There are five Risk Categories - Lower, Lower Medium, Medium, Medium High, and High.

Each Fund subject to the risk categorisation process is assigned a Risk Category, which is periodically reassessed by the Bank. Therefore it is intended that the overall risk profile of the Fund and its Risk Category are broadly consistent. However no individual investment decisions for a Fund are referenced to the Risk Category before implementation as part of its day to day investment process.

The method by which the Bank assesses Risk Categories may change or evolve in the future. If this occurs and has any impact on a Fund’s Risk Category, the ACD will communicate with Shareholders appropriately.

7. Volatility

“**Volatility**” is a measure of how much the return on an investment in a Fund fluctuates around its average return, and can be used to categorise a Fund according to how much risk an investment in it involves.

Santander Atlas Portfolio 6 is part of the Santander Atlas Portfolio growth range. This range consists of five funds numbered 3-7 which are each risk target managed funds - i.e. managed with an investment objective of aiming to stay within a risk profile classification (with volatility parameters) as set and monitored by an external third party risk rating company. This company’s risk profile classifications range from 1, the lowest risk profile classification and the least volatile (for example a fund focused on holding cash), to 10, the highest risk profile classification and the most volatile (for example a fund focused on investing in riskier equity regions and non-developed markets).

The number in the name of each fund in the Santander Atlas Portfolio growth range corresponds to its risk profile classification, ranging from 3 to 7 on the external third party risk rating company’s scale. The

lower the number in the fund's name and risk profile classification, typically the lower its volatility, the higher its exposure to less volatile assets (such as bonds) and the lower its exposure to more volatile assets (such as shares), and the lower its level of expected capital growth, compared to other funds within the range, and vice versa.

The Dynamic Planner risk profiling service is being used to profile each fund in the Santander Atlas Portfolio growth range's investment portfolio. Dynamic Planner is provided by Distribution Technology, an independent company that offers risk profiling services for funds and portfolios. Distribution Technology's risk profile classifications are based on forward looking volatility assumptions, and they closely review on an ongoing basis any risk target managed fund and ascribe a risk profile classification to it accordingly. Whilst Distribution Technology is currently being used, the ACD may change the risk profiling service provider to another independent company in the future, which will be communicated in any future publications of the Prospectus.

The risk profile classification for each fund in the Santander Atlas Portfolio growth range is different from the Synthetic Risk and Reward Indicator ("**SRRI**") which is published in each fund's NURS Key Investor Information. Whilst each fund in the range will be managed with the aim of staying within a risk profile classification, it will not be managed to maintain its SRRI, which may change over time.

8. Index Disclaimers

The Funds are not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively the "LSE Group"). FTSE Russell is a trading name of certain of the LSE Group companies. All rights in FTSE Actuaries UK Conventional Gilts All Stocks Index TR and FTSE All Share Index TR (the "**FTSE Indices**" and each a "**FTSE Index**") vest in the relevant LSE Group company which owns the relevant FTSE Index. FTSE® is a trademark of the relevant LSE Group company and is used by any other LSE Group company under license. The FTSE Indices are calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the FTSE Indices or (b) investment in or operation of a Fund. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from a Fund or the suitability of each FTSE Index for the purpose to which it is being put by the ACD.

MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "**MSCI Parties**") expressly disclaims all warranties (including, without limitation, any warranties or originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to the information in this Prospectus. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages (www.msci.com).

Santander Max 70% Shares Portfolio
PRN 642320

Objective

The Fund's objective is to provide capital growth (to grow the value of your investment) with the potential for income over a 5+ year time horizon.

The Fund will also aim to outperform (after the deduction of fees) the following composite Target Benchmark measured over a rolling 3 year time period: 30% Markit iBoxx Sterling Non-Gilts Index TR, 25% MSCI UK Index TR, 12% MSCI Europe Ex UK Index TR, 10% ICE BofA UK Gilts All Stocks Index TR, 10% MSCI USA Index TR, 6% MSCI Japan Index TR, 4% Sterling Overnight Index Average (SONIA) and 3% MSCI AC Asia Pacific Ex Japan Index TR.

It is expected that average outperformance for the Fund will typically not be greater than 1% per annum (after the deduction of fees) in excess of the Target Benchmark measured over a rolling 3 year period, although no level of outperformance is guaranteed.

Policy

The Fund is actively managed by the appointed Sub-Investment Manager and aims to achieve the investment objectives by obtaining exposure to the constituents included in the Indices which make up the Target Benchmark.

The Fund invests its assets directly, or indirectly through Derivatives or Collective Investment Schemes in the following:

- between 30% and 70% in shares in companies which are, at the time of purchase, listed. These comprise direct investment in shares or equity related securities (i.e. other investments whose value is related to shares);
- between 20% and 70% in bonds which will be, at the time of purchase, investment grade. The Fund can obtain exposure to bonds denominated in Pounds Sterling issued by companies, supnationals and other non-sovereign entities as well as bonds issued by the UK Government; and
- up to 10% in cash.

In relation to the Fund's investment in shares and bonds, the above investment limits reflect the minimum and maximum exposures the Fund can have in these asset classes. However, it is not expected that the Fund's ordinary exposure to each of these asset classes will be at the minimum or maximum amounts for sustained periods.

As exposure to shares and bonds can be obtained indirectly through Derivatives (if in the interest of realising the Fund's objectives more efficiently), investment in ancillary assets such as cash, cash like and/or money market instruments could be up to 100%, dependent on market conditions and investment views (see Investment Strategy and Process below).

As a result of the Fund's potential investment in bonds and money market instruments the Fund may have more than 35% invested in these assets issued by the UK Government.

The Fund may invest globally (including up to 15% in non-developed markets).

Up to 10% of the Fund can be invested indirectly, and for a sustained period, by purchasing units of Passively Managed Collective Investment Schemes managed by other companies (not the ACD or other companies within the Santander Group).

The Fund will use Derivatives (including Derivatives which track the performance of an Index such as index futures) for Efficient Portfolio Management (including hedging), where Derivatives are used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting

the risk profile of the Fund.

Investment Strategy and Process

The ACD has appointed one Sub-Investment Manager, based on their expertise, to manage the entire Fund and will put in place the investment guidelines which the Sub-Investment Manager must follow. In these investment guidelines the ACD will set the Sub-Investment Manager a target to outperform the Target Benchmark. Although this is calculated on a different basis to the Fund's outperformance target (i.e. before the deduction of the Fund's fees (other than transaction costs)), it is aligned with the investment objectives of the Fund overall. In addition, the investment guidelines agreed with the Sub-Investment Manager include risk management measures which will reference the Target Benchmark (described below).

The ACD has in place an internal analysis and due diligence process to monitor the Sub-Investment Manager's management of the Fund, and it can change the Sub-Investment Manager at its discretion if it believes that this is in the best interests of Shareholders in the Fund.

The Sub-Investment Manager actively manages the Fund which means it exercises its discretion when making its investment decisions. In aiming to achieve the Fund's investment objectives the Sub-Investment Manager uses an internal systematic, rules-based investment process to inform the exposure it will seek in each type of asset (represented by each Index in the Target Benchmark). The Sub-Investment Manager decides whether to implement its investment decision based on the output of the systematic, rules-based investment process.

It is expected that the average outperformance for the Fund will typically not be greater than 1% per annum (after the deduction of fees) in excess of the Target Benchmark measured over a rolling 3 year period, although no level of outperformance is guaranteed.

The Sub-Investment Manager's investment process seeks exposure only to constituents included in the Indices which make up the composite Target Benchmark. It will attempt to achieve the investment objectives with similar volatility (how much the returns of the Fund's investments fluctuate around their average return) and lower drawdown (the amount of the decline in value of the Fund's investments from their previous highest value) when compared to the Target Benchmark, but this is not guaranteed.

The Sub-Investment Manager's systematic, rules-based investment process does not consider individual assets or sectors, but instead informs the exposure the Fund will seek in each type of asset (represented by each Index in the Target Benchmark) by using the following strategies:

- (1) the "**Risk Parity Strategy**", the main goal of which is to generate less volatile returns (but not by a set amount) than the Target Benchmark for the Fund over a 5+ year time horizon. This strategy involves selecting shares and bonds such that each type of asset (represented by Indices in the Target Benchmark) contributes an equal amount of volatility. This strategy will be applied to 35% of the Fund. The Risk Parity Strategy employed by the Sub-Investment Manager does not use borrowing or leverage; and
- (2) the "**Momentum Strategy**", which is the principal way in which the Sub-Investment Manager aims to outperform the Target Benchmark. This strategy seeks exposure to those shares and bonds (represented by Indices in the Target Benchmark) whose returns have been more favourable when measured over specific time periods, compared to other Indices in the Target Benchmark. In addition, the strategy takes into consideration the consistency and stability of returns over time and favours those types of shares and bonds with higher and more stable returns. The strategy does not take account of why the return has been more favourable. This strategy will be applied to 65% of the Fund.

Cash can also be held in either of the above strategies.

The systematic investment process will inform the exposure to each type of asset (represented by each Index in the Target Benchmark), and decide how to most efficiently implement the proposed investment decision(s) for review and process by the Sub-Investment Manager (an "**Active Investment Decision**").

Whilst in efficiently implementing its Active Investment Decision the Sub-Investment Manager will only obtain exposure to constituents included in the Indices in the Target Benchmark, it is not constrained by the amount allocated to each Index in the composite Target Benchmark (for example, more than 10% of the Fund could be exposed to the MSCI USA Index TR even though this makes up 10% of the Target Benchmark). Neither is the Fund required to always have exposure to each Index within the Target Benchmark. This freedom allows the Sub-Investment Manager to seek to outperform the returns of the Target Benchmark and therefore generate capital growth with the potential for income for the Fund.

In implementing its Active Investment Decision, the Sub-Investment Manager will seek to efficiently replicate the performance of the relevant Indices. As part of the overall investment process consideration will be given to the key characteristics that drive the performance of each Index and replication will be via investment in significantly fewer constituents than the total number of constituents of each Index and in different weights.

The Sub-Investment Manager will also obtain exposure to each Index through holding Derivatives which track the performance of an Index (such as index futures). The Sub-Investment Manager will combine its investments in shares and equity-related securities, if it considers that the combination might more efficiently realise the Fund's investment objectives. As a result, generally, the Fund will both invest directly in shares, and indirectly via Derivatives (i.e. equity index futures), for Efficient Portfolio Management, to achieve its exposure to equity markets as well as for hedging purposes. The Fund may have long and short Derivative positions (i.e. buy or sell a Derivative with the expectation that the underlying asset will rise or fall in value), but will only be net long when long and short positions are combined.

Whilst the Sub-Investment Manager's investment strategy favours Derivative use for seeking exposure to shares, Derivatives may also be held to seek exposure to bonds for efficient portfolio management. This means that a substantial amount, or even all, of the Fund may be held in cash, cash like and/or money market instruments for the purpose of managing the exposure created by Derivative use. The market exposure as a result of holding these Derivatives will be limited to 100% of the Net Asset Value of the Fund. These cash, cash like and money market instruments may not be included in the Target Benchmark. The Fund may use Derivatives extensively but the level of the Fund's use of Derivatives will fluctuate dependent on the investment decision being implemented. As the Fund is not constrained by the amount allocated to each Index in the Target Benchmark, the level of exposure the Fund is seeking to each Index will also change.

The Sub-Investment Manager may also obtain exposure to each Index through holding Passively Managed Collective Investment Schemes which invest in the relevant Index (for up to 10% of the Fund).

To help monitor the Fund, the Sub-Investment Manager will consider a range of risk measures, which may inform its investment processes. Some measures will reference the Target Benchmark.

Further Information

The Indices which together make up the Target Benchmark have been selected as they include the types of assets the Fund will invest in.

The Indices are provided by IHS Markit Benchmark Administration Limited, MSCI Limited, ICE Benchmark Administration Limited and the Bank of England respectively. As at the date of this Prospectus, IHS Markit Benchmark Administration Limited, MSCI Limited and ICE Benchmark Administration Limited are on the public register of administrators and benchmarks established and maintained by the FCA (this register does not apply to the Bank of England).

In respect of the Fund's objective to outperform the Target Benchmark after the deduction of fees, the term "fees" includes all fees, costs, charges, expenses and liabilities which are deducted from the value of the Fund's property for the purpose of calculating its NAV.

If the ACD considers that the Fund's Target Benchmark should be amended as a result of changes to, or evolution of, external market conditions and provided there is no material change to the risk profile

of the Fund, it may implement this change after providing Shareholders with reasonable notice in advance.

Please see the Risk Factor section of the Prospectus for details of the specific risks associated with the systematic, rules-based investment process.

The Fund has a Risk Category of Medium in accordance with Santander UK plc's Risk Categorisation Process. The General Information and Glossary of Terms at the start of this Appendix 1 explains what this means.

The Fund operates with an OCF cap, which means that the ACD will aim to keep the cost of investing in it, excluding transaction costs, below a predetermined level. There may be circumstances where this cap is exceeded due to external factors such as an increase in the fees associated with the Fund's investment in Collective Investment Schemes, in which case the ACD will aim to bring fees back below it as soon as reasonably possible and fund any excess OCF costs over the OCF Cap.

Variable remuneration of those individuals employed by the ACD who are responsible for the selection and ongoing oversight of the Sub-Investment Manager, is determined by assessing a number of different factors. Insofar as these relate to the investment performance of the Fund, any assessment may be made by comparing Fund performance relative to the Target Benchmark.

BlackRock Advisors (UK) Limited (the "**Transition Manager**") will act as transition manager for the Fund from 14 January 2022. Pursuant to the Transition Management Agreement, the Transition Manager will effect a realignment of the Fund's portfolio in line with direction from the Sub-Investment Manager (the "**Portfolio Transition**"), which will be completed as soon as reasonably practical but no later than four weeks from the Transition Manager's appointment. Upon completion of the Portfolio Transition, the Transition Manager will play no further role in the management of the Fund, and the Sub-Investment Manager will manage the whole of the Fund.

Transition Manager	BlackRock Advisors (UK) Limited (to effect the Portfolio Transition)
Sub-Investment Manager	Santander Asset Management, S.A, SGIIC (upon completion of the Portfolio Transition)
Classes	R Accumulation Shares S Accumulation Shares
Currency of Denomination	Pounds Sterling
Minimum Initial Investment	R Shares: £500 S Shares: £10,000,000
Minimum Subsequent Investment	£1.50
Minimum Withdrawal	£1.50
Minimum Holding	R Shares: £500 S Shares: £10,000,000
ACD's Annual Management Charge	R Shares: 0.80%
OCF Cap	S Shares: 0.65% R Shares: 1.25% S Shares: 1.10%

Initial Charge	0%
Annual Accounting Date and Annual Income Allocation Date	31 March
Annual Income Distribution Date	31 May
Interim Accounting Date and Interim Income Allocation Date	30 September
Quarterly Income Distribution Dates	31 August, 30 November, 28 February
Annual Report published by	31 July
Interim Report published by	30 November
Leverage	Gross method calculation basis: 2:1 (i.e. 200% exposure as % of NAV) Commitment method calculation basis: 2:1 (i.e. 200% exposure as % of NAV)
Additional Information	Up to date details of where underlying Collective Investment Schemes are established can be obtained on request from the ACD

Santander Sterling Bond Portfolio PRN 642321

Objective

The Fund's objective is to provide a combination of capital growth (to grow the value of your investment) and income over a 5+ year time horizon.

The Fund will aim to outperform (after the deduction of fees) the following Target Benchmark measured over a rolling 3 year time period: 90% Markit iBoxx Sterling Non Gilts Index TR and 10% FTSE Actuaries UK Conventional Gilts All Stocks Index TR.

It is expected that average outperformance for the Fund will typically not be greater than 0.25% per annum (after the deduction of fees) in excess of the Target Benchmark measured over a rolling 3 year period, although no level of outperformance is guaranteed.

Policy

The Fund is actively managed (by the appointed Sub-Investment Manager) and aims to achieve its objective by investing at least 95% in bonds.

The Fund invests:

- a minimum of 70% in bonds issued by companies, supranationals, and other non-sovereign entities; and
- a maximum of 30% in bonds issued by governments (typically these will be bonds issued by the UK Government).

The Fund may invest globally (including up to 5% in non-developed markets) but at least 95% of its investments must be denominated in or Hedged to Pounds Sterling, and at least 70% denominated in Pounds Sterling.

At least 90% of the Fund's investments will be in bonds which are, at the time of purchase, investment grade. Up to 10% of the Fund can be in those which are at the time of purchase, sub-investment grade and up to 5% can be unrated (where the Sub-Investment Manager will determine whether the bonds have quality equivalent to investment grade or sub-investment grade).

The Fund's investment in bonds can include those which are "non-standard" (up to 30% of the Fund). These may, for example, be bonds which can make payments earlier than their target maturity date, or have terms where the principal amount of the bond can be paid back over the term of the bond, instead of being paid at the bond's maturity date, or asset backed or mortgage backed securities (investments whose return is generated from and backed by a basket of debt, for example mortgages). With regard to asset backed and mortgage backed securities, exposure will be limited to 5% of the Fund.

The Fund's investment in bonds can also include (up to 20% of the Fund) those which are "index linked" (bonds which have their coupon payments adjusted for inflation by linking the payments to an inflation indicator), although this is not a key part of the Fund's investment strategy.

The Fund invests directly in bonds, and not indirectly by purchasing units in Collective Investment Schemes.

The Fund may also invest up to 5% in cash, cash like and other money market instruments.

The Fund may use Derivatives for Efficient Portfolio Management (including hedging), where Derivatives are used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting the risk profile of the Fund.

Investment Strategy and Process

The ACD has appointed one Sub-Investment Manager, based on their expertise, to manage the entire Fund and has put in place investment guidelines which the Sub-Investment Manager must follow.

The ACD has in place an internal analysis and due diligence process to monitor the Sub-Investment Manager's management of the Fund, and it can change the Sub-Investment Manager at its discretion if it believes that this is in the best interests of Shareholders in the Fund.

The Sub-Investment Manager actively manages the Fund. This means that, subject to the investment guidelines agreed with the ACD, it has discretion to select assets according to its investment views and opportunities identified as market and economic conditions change, and it will select investments that it believes will achieve the Fund's investment objectives. The Sub-Investment Manager will complete an assessment before any investment decisions are made.

The investment guidelines the ACD has put in place for the Sub-Investment Manager include:

- an objective to outperform the Target Benchmark on average each year measured over rolling 3 year periods. This will be consistent with the Fund's objective to outperform the Target Benchmark after the deduction of fees, although not identical because the target set for the Sub-Investment Manager will be measured before the deduction of the Fund's fees; and
- risk management measures, including a maximum Tracking Error, detailed below which reference the Target Benchmark. These will be commensurate to the outperformance objective noted above.

The primary way the Sub-Investment Manager aims to achieve the Fund's investment objectives is by selecting bonds which will outperform the Target Benchmark. It is expected that average outperformance for the Fund will typically not be greater than 0.25% per annum (after the deduction of fees) in excess of the Target Benchmark measured over a rolling 3 year period, although no level of outperformance is guaranteed.

When selecting bonds, the Sub-Investment Manager will consider risks including credit risk (the potential risk that issuers of bonds will be unable to honour their payment obligations), and how changing interest rates might impact the value of a bond in order to help determine which bonds to invest in. For example increasing interest rates will usually lower the value of an existing bond, and if the bond has a long time until maturity there could be more of an impact on its value. Therefore, the Sub-Investment Manager may choose to reduce the Fund's sensitivity to a change in interest rates if it expects them to rise or vice versa.

When selecting company bonds, the Sub-Investment Manager will assess a company with respect to four key factors: industry attractiveness, competitive position, management quality and financial position. This will assign the company a score which the Sub-Investment Manager will consider as part of its overall selection process when determining which bonds to invest in.

When selecting government bonds it will use a number of tools to assess the impact of key economic and socio-political factors in order to determine a forward-looking view on the medium and long-term risk that the government may be unable to meet its payment obligations on the bonds. In doing so, it will consider factors such as the government's cash flow.

The Sub-Investment Manager will also factor in the value of a bond, by assessing the interest payments the bond will make, and look for opportunities where they believe bonds have been mispriced.

The Fund's strategy is complemented by the use of Derivatives for Efficient Portfolio Management. It is expected that Derivatives will be used regularly in circumstances such as managing risk, for example to manage currency risk by hedging to Pounds Sterling or to manage interest rate risk, or responding quickly to developments in financial markets.

The Fund overall will typically be managed with a Tracking Error (against the Target Benchmark) of up to 2%. The Tracking Error of the Fund's portfolio may occasionally (for instance during volatile market conditions) be higher than 2% provided this is consistent with the investment strategy of the Fund. The Sub-Investment Manager is also subject to certain investment restrictions which reference an index in

the Target Benchmark, relating to the credit rating of bond issuers, and the Duration of bonds, as part of its investment process. These are risk management measures.

The risk management measures mean that although the Sub-Investment Manager has discretion to select investments, the degree to which the Fund's portfolio is permitted to deviate from the Target Benchmark will be restricted, which will limit the extent to which the Fund might outperform the Target Benchmark. The Sub-Investment Manager does not have to invest in the same assets that make up the Target Benchmark or in the same amounts, and may hold significantly fewer assets than those which make up the Target Benchmark, but some of the Fund's investments will reflect the constituents of the Target Benchmark.

Further Information

The Target Benchmark for the Fund has been selected as it is representative of the Fund's investment policy.

The Target Benchmark is provided by IHS Markit Administration Limited and FTSE International Limited, respectively, which as at the date of this Prospectus are included in the public register of administrators and benchmarks established and maintained by the FCA.

In respect of the Fund's objective to outperform the Target Benchmark after the deduction of fees, the term "fees" includes all fees, costs, charges, expenses and liabilities which are deducted from the value of Fund property for the purpose of calculating its NAV.

If the ACD considers that the Fund's Target Benchmark should be amended as a result of changes to, or evolution of, external market conditions and provided there is no material change to the risk profile of the Fund, it may implement this change after providing Shareholders with reasonable notice in advance.

Variable remuneration of those individuals employed by the ACD who are responsible for the selection and ongoing oversight of the Sub-Investment Manager is determined by assessing a number of different factors. Insofar as these relate to investment performance, any assessment may be made by comparing Fund performance relative to the Target Benchmark.

Sub-Investment Manager	BlackRock Investment Management (UK) Limited
Classes	R Accumulation Shares
Currency of Denomination	Pounds Sterling
Minimum Initial Investment	£500
Minimum Subsequent Investment	£1.50
Minimum Withdrawal	£1.50
Minimum Holding	£500
ACD's Annual Management Charge	0.5%
Initial Charge	0%
Annual Accounting Date and Annual Income Allocation Date	31 March
Annual Income Distribution Date	31 May
Interim Accounting Date and Interim Income Allocation Date	30 September
Quarterly Income Distribution Dates	31 August, 30 November, 28 February

Annual Report published by	31 July
Interim Report published by	30 November
Leverage	Gross method calculation basis: 2:1 (i.e. 200% exposure as % of NAV) Commitment method calculation basis: 2:1 (i.e. 200% exposure as % of NAV)
Additional Information	Up to date details of where underlying Collective Investment Schemes are established can be obtained on request from the ACD

Santander Max 50% Shares Portfolio
PRN 642322

Objective

The Fund's objective is to provide capital growth (to grow the value of your investment) with the potential for income over a 5+ year time horizon.

The Fund will also aim to outperform (after the deduction of fees) the following composite Target Benchmark measured over a rolling 3 year time period: 42.25% Markit iBoxx Sterling Non-Gilts Index TR, 18% MSCI UK Index TR, 15.75% ICE BofA UK Gilts All Stocks Index TR, 7.5% MSCI Europe Ex UK Index TR, 5.5% MSCI USA Index TR, 5% Sterling Overnight Index Average (SONIA), 4% MSCI Japan Index TR and 2% MSCI AC Asia Pacific Ex Japan Index TR.

It is expected that average outperformance for the Fund will typically not be greater than 0.45% per annum (after the deduction of fees) in excess of the Target Benchmark measured over a rolling 3 year period, although no level of outperformance is guaranteed.

Policy

The Fund is actively managed by the appointed Sub-Investment Manager and aims to achieve the investment objectives by obtaining exposure to the constituents included in the Indices which make up the Target Benchmark.

The Fund invests its assets directly, or indirectly through Derivatives or Collective Investment Schemes in the following:

- between 40% and 80% in bonds. The Fund can obtain exposure to investment grade bonds denominated in Pounds Sterling issued by companies, supranationals and other non-sovereign entities as well as bonds issued by the UK Government;
- between 20% and 50% in shares in companies which are, at the time of purchase, listed. These comprise direct investment in shares or equity related securities (i.e. other investments whose value is related to shares); and
- up to 10% in cash.

As exposure to bonds and shares can be obtained indirectly through Derivatives (if in the interest of realising the Fund's objectives more efficiently), investment in ancillary assets such as cash, cash like and/or money market instruments could be up to 100%, dependent on market conditions and investment views (see Investment Strategy and Process below).

As a result of the Fund's potential investment in bonds and money market instruments the Fund may have more than 35% invested in these assets issued by the UK Government.

The Fund may invest globally (including up to 15% in non-developed markets).

Up to 10% of the Fund can be invested indirectly, and for a sustained period, by purchasing units of Passively Managed Collective Investment Schemes managed by other companies (not the ACD or other companies within the Santander Group).

The Fund will use Derivatives (including Derivatives which track the performance of an Index such as index futures) for Efficient Portfolio Management (including hedging), where Derivatives are used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting the risk profile of the Fund.

Investment Strategy and Process

The ACD has appointed one Sub-Investment Manager, based on their expertise, to manage the entire Fund and will put in place the investment guidelines which the Sub-Investment Manager must follow. In

these investment guidelines the ACD will set the Sub-Investment Manager a target to outperform the Target Benchmark. Although this is calculated on a different basis to the Fund's outperformance target (i.e. before the deduction of the Fund's fees (other than transaction costs)), it is aligned with the investment objectives of the Fund overall. In addition, the investment guidelines agreed with the Sub-Investment Manager include risk management measures which will reference the Target Benchmark (described below).

The ACD has in place an internal analysis and due diligence process to monitor the Sub-Investment Manager's management of the Fund, and it can change the Sub-Investment Manager at its discretion if it believes that this is in the best interests of Shareholders in the Fund.

The Sub-Investment Manager actively manages the Fund which means it exercises its discretion when making its investment decisions. In aiming to achieve the Fund's investment objectives the Sub-Investment Manager uses an internal systematic, rules-based investment process to inform the exposure it will seek in each type of asset (represented by each Index in the Target Benchmark). The Sub-Investment Manager decides whether to implement its investment decision based on the output of the systematic, rules-based investment process.

It is expected that the average outperformance for the Fund will typically not be greater than 0.45% per annum (after the deduction of fees) in excess of the Target Benchmark measured over a rolling 3 year period, although no level of outperformance is guaranteed.

The Sub-Investment Manager's investment process seeks exposure only to constituents included in the Indices which make up the composite Target Benchmark. It will attempt to achieve the investment objectives with similar volatility (how much the returns of the Fund's investments fluctuate around their average return) and lower drawdown (the amount of the decline in value of the Fund's investments from their previous highest value) when compared to the Target Benchmark, but this is not guaranteed.

The Sub-Investment Manager's systematic, rules-based investment process does not consider individual assets or sectors, but instead informs the exposure the Fund will seek in each type of asset (represented by each Index in the Target Benchmark) by using the following strategies:

- (1) the "**Risk Parity Strategy**", the main goal of which is to generate less volatile returns (but not by a set amount) than the Target Benchmark for the Fund over a 5+ year time horizon. This strategy involves selecting shares and bonds such that each type of asset (represented by Indices in the Target Benchmark) contributes an equal amount of volatility. This strategy will be applied to 55% of the Fund. The Risk Parity Strategy employed by the Sub-Investment Manager does not use borrowing or leverage; and
- (2) the "**Momentum Strategy**", which is the principal way in which the Sub-Investment Manager aims to outperform the Target Benchmark. This strategy seeks exposure to those shares and bonds (represented by Indices in the Target Benchmark) whose returns have been more favourable when measured over specific time periods, compared to other Indices in the Target Benchmark. In addition, the strategy takes into consideration the consistency and stability of returns over time and favours those types of shares and bonds with higher and more stable returns. The strategy does not take account of why the return has been more favourable. This strategy will be applied to 45% of the Fund.

Cash can also be held in either of the above strategies.

The systematic investment process will inform the exposure to each type of asset (represented by each Index in the Target Benchmark), and decide how to most efficiently implement the proposed investment decision(s) for review and process by the Sub-Investment Manager (an "**Active Investment Decision**").

Whilst in efficiently implementing its Active Investment Decision the Sub-Investment Manager will only obtain exposure to constituents included in the Indices in the Target Benchmark, it is not constrained by the amount allocated to each Index in the composite Target Benchmark (for example, more than 7.5% of the Fund could be exposed to the MSCI World Europe Ex UK Index TR even though this makes up 7.5% of the Target Benchmark). Neither is the Fund required to always have exposure to each Index

within the Target Benchmark. This freedom allows the Sub-Investment Manager to seek to outperform the returns of the Target Benchmark and therefore generate capital growth with the potential for income for the Fund.

In implementing its Active Investment Decision, the Sub-Investment Manager will seek to efficiently replicate the performance of the relevant Indices. As part of the overall investment process consideration will be given to the key characteristics that drive the performance of each Index and replication will be via investment in significantly fewer constituents than the total number of constituents of each Index and in different weights.

The Sub-Investment Manager will also obtain exposure to each Index through holding Derivatives which track the performance of an Index (such as index futures). The Sub-Investment Manager will combine its investments in shares and equity-related securities, if it considers that the combination might more efficiently realise the Fund's investment objectives. As a result, generally, the Fund will both invest directly in shares, and indirectly via Derivatives (i.e. equity index futures), for Efficient Portfolio Management, to achieve its exposure to equity markets as well as for hedging purposes. The Fund may have long and short Derivative positions (i.e. buy or sell a Derivative with the expectation that the underlying asset will rise or fall in value), but will only be net long when long and short positions are combined.

Whilst the Sub-Investment Manager's investment strategy favours Derivative use for seeking exposure to shares, Derivatives may also be held to seek exposure to bonds for efficient portfolio management. This means that a substantial amount, or even all, of the Fund may be held in cash, cash like and/or money market instruments for the purpose of managing the exposure created by Derivative use. The market exposure as a result of holding these Derivatives will be limited to 100% of the Net Asset Value of the Fund. These cash, cash like and money market instruments may not be included in the Target Benchmark. The Fund may use Derivatives extensively but the level of the Fund's use of Derivatives will fluctuate dependent on the investment decision being implemented. As the Fund is not constrained by the amount allocated to each Index in the Target Benchmark, the level of exposure the Fund is seeking to each Index will also change.

The Sub-Investment Manager may also obtain exposure to each Index through holding Passively Managed Collective Investment Schemes which invest in the relevant Index (for up to 10% of the Fund).

To help monitor the Fund, the Sub-Investment Manager will consider a range of risk measures, which may inform its investment processes. Some measures will reference the Target Benchmark.

Further Information

The Indices which together make up the Target Benchmark have been selected as they include the types of assets the Fund will invest in.

The Indices are provided by IHS Markit Benchmark Administration Limited, MSCI Limited, ICE Benchmark Administration Limited and the Bank of England respectively. As at the date of this Prospectus, IHS Markit Benchmark Administration Limited, MSCI Limited and ICE Benchmark Administration Limited are on the public register of administrators and benchmarks established and maintained by the FCA (this register does not apply to the Bank of England).

In respect of the Fund's objective to outperform the Target Benchmark after the deduction of fees, the term "fees" includes all fees, costs, charges, expenses and liabilities which are deducted from the value of the Fund's property for the purpose of calculating its NAV.

If the ACD considers that the Fund's Target Benchmark should be amended as a result of changes to, or evolution of, external market conditions and provided there is no material change to the risk profile of the Fund, it may implement this change after providing Shareholders with reasonable notice in advance.

Please see the Risk Factor section of the Prospectus for details of the specific risks associated with the systematic, rules-based investment process.

The Fund has a Risk Category of Lower Medium in accordance with Santander UK plc's Risk Categorisation Process. The General Information and Glossary of Terms at the start of this Appendix 1 explains what this means.

The Fund operates with an OCF cap, which means that the ACD will aim to keep the cost of investing in it, excluding transaction costs, below a predetermined level. There may be circumstances where this cap is exceeded due to external factors such as an increase in the fees associated with the Fund's investment in Collective Investment Schemes, in which case the ACD will aim to bring fees back below it as soon as reasonably possible and fund any excess OCF costs over the OCF Cap.

Variable remuneration of those individuals employed by the ACD who are responsible for the selection and ongoing oversight of the Sub-Investment Manager, is determined by assessing a number of different factors. Insofar as these relate to the investment performance of the Fund, any assessment may be made by comparing Fund performance relative to the Target Benchmark.

BlackRock Advisors (UK) Limited (the "**Transition Manager**") will act as transition manager for the Fund from 14 January 2022. Pursuant to the Transition Management Agreement, the Transition Manager will effect a realignment of the Fund's portfolio in line with direction from the Sub-Investment Manager (the "**Portfolio Transition**"), which will be completed as soon as reasonably practical but no later than four weeks from the Transition Manager's appointment. Upon completion of the Portfolio Transition, the Transition Manager will play no further role in the management of the Fund, and the Sub-Investment Manager will manage the whole of the Fund.

Transition Manager	BlackRock Advisors (UK) Limited (to effect the Portfolio Transition)
Sub-Investment Manager	Santander Asset Management, S.A, SGIIC (upon completion of the Portfolio Transition)
Classes	R Accumulation Shares R Income Shares S Accumulation Shares
Currency of Denomination	Pounds Sterling
Minimum Initial Investment	R Shares: £500 S Shares: £10,000,000
Minimum Subsequent Investment	£1.50
Minimum Withdrawal	£1.50
Minimum Holding	R Shares: £500 S Shares: £10,000,000
ACD's Annual Management Charge	R Shares: 0.60% S Shares: 0.55%
OCF Cap	R Shares: 1.05% S Shares: 1%
Initial Charge	0%
Annual Accounting Date and Annual Income	31 March

Allocation Date

Annual Income Distribution Date 31 May

Interim Accounting Date and Interim Income Allocation Date 30 September

Quarterly Income Distribution Dates 31 August, 30 November, 28 February

Annual Report published by 31 July

Interim Report published by 30 November

Leverage Gross method calculation basis: 2:1 (i.e. 200% exposure as % of NAV)

Commitment method calculation basis: 2:1 (i.e. 200% exposure as % of NAV)

Additional Information Up to date details of where underlying Collective Investment Schemes are established can be obtained on request from the ACD

Santander Max 100% Shares Portfolio
PRN 642323

Objective

The Fund's objective is to provide a combination of capital growth (to grow the value of your investment) and income over a 5+ year time horizon.

The Fund will also aim to outperform (after the deduction of fees) the following Target Benchmark measured over a rolling 3 year time period: MSCI ACWI Net Total Return GBP Index.

Policy

The Fund is actively managed and aims to achieve its objectives by obtaining exposure, of up to 100%, to a wide range of shares issued by listed companies globally (including in non-developed markets).

To obtain exposure to these shares, the Fund will invest indirectly by purchasing units in Collective Investment Schemes. These can be managed by the ACD or other companies (including within the Santander Group). The Fund may invest in both Passively Managed and Actively Managed Collective Investment Schemes as detailed in "Investment Strategy and Process" below. It is intended that at least 60% of the Fund will be invested in Collective Investment Schemes but this figure could be higher depending on the ACD's investment views.

The ACD will aim to achieve the Fund's investment objectives by seeking exposure to geographies and sectors which it believes, based on its views on economic outlook and geopolitical considerations, will outperform the Target Benchmark. This is the key strategy by which the ACD seeks to outperform the Target Benchmark.

In implementing this geography and sector led strategy, it is expected that the Fund will be invested at least 70% in passive investments. Passive investments include both Passively Managed Collective Investment Schemes and Derivatives which track the performance of an index such as index futures. Up to 100% of the Fund may be held in passive investments for a sustained period, including up to 100% in Passively Managed Collective Investment Schemes. Further information on the holding of passive investments is detailed in "Investment Strategy and Process" below.

The Fund may also invest directly in shares.

The Fund may use Derivatives for Efficient Portfolio Management (including hedging) which means that Derivatives may be used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting the risk profile of the Fund. The Fund may use Derivatives extensively and their use will be consistent with the risk profile of the Fund.

The Fund has the flexibility to invest up to 10% globally (including in non-developed markets), directly and indirectly, in bonds (which may include those with a relatively low credit rating) issued by companies, governments, government bodies and supranationals, cash, cash like and other money market instruments and indirectly in real estate and commodities.

This flexibility is likely to be used at times when the ACD believes that the potential returns from exposure to shares have become less attractive, or due to adverse market conditions.

The Fund has a Risk Category of High in accordance with Santander UK plc's Risk Categorisation Process.

The Fund operates with an OCF cap, which means that the ACD will aim to keep the cost of investing in it, excluding transaction costs, below a predetermined level. There may be circumstances where this cap is exceeded due to external factors such as an increase in the fees associated with the Fund's investment in Collective Investment Schemes, in which case the ACD will aim to bring fees back below it as soon as reasonably possible and fund any excess OCF costs over the OCF Cap.

Investment Strategy and Process

The Fund is actively managed which means that the ACD will use its discretion to select assets in accordance with its investment views and opportunities identified as market and economic conditions change.

The ACD aims to achieve the Fund's investment objectives by seeking exposure to geographies and sectors which it believes will outperform the Target Benchmark.

This means that the Fund's performance, and geography and sector allocation, may differ significantly from that of its Target Benchmark.

The ACD will complete an assessment before any investment decisions are made. This ongoing process, in relation to the Fund's exposure to shares, will generally consist of:

- Developing an investment strategy based on economic outlook and geopolitical considerations to determine which geographies and sectors to invest in, both on a longer term (strategic) and shorter term (tactical) basis.
- Observing an internally approved list of both Actively Managed and Passively Managed Collective Investment Schemes available for investment when implementing the geographical and sector led investment strategy.
- Performing investment and operational due diligence on both Actively Managed and Passively Managed Collective Investment Schemes, by either the ACD and/or other companies within the Santander Group, to inform the approved list.
- Selecting Collective Investment Schemes from the approved list for investment which, although they may have different overall investment strategies and restrictions than the Fund (and may invest in a wider range of assets or use Derivatives differently), have an investment policy and strategy that is consistent with the geographical and sector investment strategy decision.

The Fund's strategy is complemented by the deployment of Derivatives for Efficient Portfolio Management purposes, for example responding quickly to developments in financial markets.

Where investments are made in instruments other than units in Collective Investment Schemes, these are also subject to investment due diligence.

The ACD will consider how it may most efficiently implement the Fund's geography and sector led strategy. In doing so, when selecting from the approved list of Collective Investment Schemes referred to above, the Fund will tend to invest in those Collective Investment Schemes with lower costs and higher liquidity (i.e. the ease with which an asset can be sold and returned as cash) relative to other Collective Investment Schemes on the approved list which invest in comparable geographies and sectors. Lower cost Collective Investment Schemes tend to be passively managed. In practice this could mean that up to 100% of the Fund holds passive investments for a sustained period. In addition, the ACD will operate limits to ensure that the Fund does not have excessive exposure to any one: issuer of Collective Investment Schemes; individual Collective Investment Scheme; or Derivative counterparty.

Further Information

The Target Benchmark for the Fund has been selected as it is representative of global equities and therefore broadly in line with the investment policy of the Fund.

The Target Benchmark is provided by MSCI Limited. As at the date of this Prospectus, MSCI Limited is on the public register of administrators and benchmarks established and maintained by the FCA.

In respect of the Fund's objective to outperform the Target Benchmark after the deduction of fees, the term "fees" includes all fees, costs, charges, expenses and liabilities which are deducted from the value of Fund property for the purpose of calculating its NAV.

If the ACD considers that the Fund's Target Benchmark should be amended as a result of changes to, or evolution of, external market conditions and provided there is no material change to the risk profile

of the Fund, it may implement this change after providing Shareholders with reasonable notice in advance.

Variable remuneration of those individuals employed by the ACD who are responsible for managing the Fund is determined by assessing a number of different factors. Insofar as these relate to investment performance, any assessment may be made by comparing Fund performance relative to the Target Benchmark and may also include a comparison against a commercial peer group of competitor funds with similar investment objectives and policies.

Classes	R Accumulation Shares S Accumulation Shares
Currency of Denomination	Pounds Sterling
Minimum Initial Investment	R Shares : £500 S Shares: £10,000,000
Minimum Subsequent Investment	£1.50
Minimum Withdrawal	£1.50
Minimum Holding	R Shares : £500 S Shares: £10,000,000
ACD's Annual Management Charge	R Shares : 0.85% S Shares: 0.70%
OCF Cap	R Shares: 1.30% S Shares: 1.15%
Initial Charge	0%
Annual Accounting Date and Annual Income Allocation Date	31 March
Annual Income Distribution Date	31 May
Interim Accounting Date and Interim Income Allocation Date	30 September
Interim Income Distribution Date	30 November
Annual Report published by	31 July
Leverage	Gross method calculation basis: 2:1 (i.e. 200% exposure as % of NAV) Commitment method calculation basis: 2:1 (i.e. 200% exposure as % of NAV)
Additional Information	Up to date details of where underlying Collective Investment Schemes are established can be obtained on request from the ACD

Santander Atlas Portfolio 6
PRN 642324

Objective

The Fund's objective is to provide a combination of capital growth (to grow the value of your investment) and income over a 5+ year time horizon.

The Fund is managed with the aim of staying within a risk profile classification (with volatility parameters) of 6 as set and monitored by an external third party risk rating company. It is not guaranteed that the Fund will stay within this risk profile classification at all times.

Policy

The Fund is part of the Santander Atlas Portfolio growth range. This range consists of five funds numbered 3-7 which are each risk target managed funds - i.e. managed with an investment objective of aiming to stay within a risk profile classification (with volatility parameters) as set and monitored by an external third party risk rating company. This company's risk profile classifications range from 1, the lowest risk profile classification and the least volatile (for example a fund focused on holding cash), to 10, the highest risk profile classification and the most volatile (for example a fund focused on investing in riskier equity regions and non-developed markets).

The number in the name of each fund in the Santander Atlas Portfolio growth range corresponds to its risk profile classification, ranging from 3 to 7 on the external third party risk rating company's scale. The lower the number in the fund's name and risk profile classification, typically the lower its volatility, the higher its exposure to less volatile assets (such as bonds) and the lower its exposure to more volatile assets (such as shares), and the lower its level of expected capital growth, compared to other funds within the range, and vice versa. More information on volatility and risk profile classifications is provided in the General Information and Glossary of Terms at the start of this Appendix 1.

This Fund is managed with the aim of staying within a risk profile classification of 6, which is different from the Synthetic Risk and Reward Indicator (SRRI) published in its NURS Key Investor Information. The Fund will not be managed to maintain the SRRI, which may change over time.

The Fund is actively managed. It aims to achieve its objectives by obtaining exposure globally to: shares in companies; and bonds issued by companies, governments, government bodies and supranationals. There are no set limits on the Fund's exposure to either shares or bonds, but it is expected that the Fund will typically have exposure of at least 70% to shares and bonds combined.

The Fund typically has: a higher level of volatility, a lower exposure to less volatile assets (such as bonds) and a higher exposure to more volatile assets (such as shares), compared to other funds within the Santander Atlas Portfolio growth range that are numbered 3-5; and a lower level of volatility, a higher exposure to less volatile assets and a lower exposure to more volatile assets, compared to Santander Atlas Portfolio 7.

Additionally the Fund may obtain exposure globally:

- up to 20% to alternative strategies, for example absolute return strategies (i.e. those which aim to deliver a positive return in all market conditions, although this is not guaranteed);
- up to 10% to commodities;
- up to 10% to real estate; and
- up to 10% to cash, cash like and other money market instruments.

The Fund may have exposure to non-developed markets through its investments.

To obtain exposure to the permissible asset classes stated above, the Fund will invest indirectly by purchasing units in Collective Investment Schemes. The Fund may invest in both Actively Managed

and Passively Managed Collective Investment Schemes as detailed in “Investment Strategy and Process” below. At least 85% of the Fund will be invested in Collective Investment Schemes but this figure may be higher (up to 100%) depending on the ACD’s investment views.

The Fund will typically be invested between 75% and 85% in Passively Managed Collective Investment Schemes although this could be higher and the Fund is permitted to invest up to 100% in this way for a sustained period. Further information on the holding of Passively Managed Collective Investment Schemes is detailed in “Investment Strategy and Process” below.

These Collective Investment Schemes can be managed by the ACD or other companies (including within the Santander Group). They will give the Fund exposure to the permissible asset classes (and, where relevant, in the permitted amounts) stated above, but they may have different investment strategies and restrictions to the Fund. For example they may not be managed with the aim of staying within a volatility range, and may use Derivatives differently to the Fund (such as for Investment Purposes).

With the exception of alternative strategies, commodities (where exposure can also be sought through investment in exchange traded commodities) and real estate, the Fund may also invest directly in the above permissible asset classes. However this will not be a key part of its investment strategy because of the level of investment in Collective Investment Schemes described above.

The Fund may use Derivatives for Efficient Portfolio Management (including hedging), where Derivatives are used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting the risk profile of the Fund. This may include passive Derivatives, for example Derivatives which track the performance of an index such as index futures, which, if used, will increase the Fund’s exposure to passive investments.

Investment Strategy and Process

The Fund is actively managed which means that the ACD uses its expertise and discretion, in accordance with its investment views and opportunities identified as market and economic conditions change, to select investments with the aim of achieving the Fund’s investment objectives.

The ACD seeks exposure to asset or sub-asset classes, geographies and sectors which it believes will meet the investment objectives of the Fund.

The ACD will complete an assessment before any investment decisions are made. This ongoing process will generally consist of:

- Developing an investment strategy based on market and economic outlook and geopolitical considerations to determine which asset or sub-asset classes, geographies and sectors to invest in, both on a longer term (strategic) and shorter term (tactical) basis.
- The Fund can invest in a globally unconstrained manner in shares and bonds, and within above stated levels in other permissible asset classes. The ACD will however seek to maintain the Fund’s risk profile classification (alongside aiming to achieve its capital growth and income objective) when implementing its investment strategy by considering the types of assets held and the Fund’s allocation to different permitted asset classes.
- Observing an internally approved list of both Actively Managed and Passively Managed Collective Investment Schemes available for investment when implementing the asset or sub-asset class, geographical and sector led investment strategy.
- Performing investment and operational due diligence on both Actively Managed and Passively Managed Collective Investment Schemes, by either the ACD and/or other companies within the Santander Group, to inform the approved list.
- Selecting Collective Investment Schemes from the approved list for investment which, although they may have different overall investment strategies and restrictions than the Fund, have an

investment policy and strategy that is consistent with the asset or sub-asset class, geographical and sector investment strategy decision.

The Fund can invest in both Actively Managed and Passively Managed Collective Investment Schemes. The ACD will favour Collective Investment Schemes which offer attractive returns relative to other Collective Investment Schemes on the approved list. Investments will be selected with the aim of achieving capital growth, but some will also provide income for the Fund.

When seeking exposure to shares, the ACD will tend to favour those Collective Investment Schemes with lower costs and higher liquidity (i.e. the ease with which units in these Collective Investment Schemes can be sold and returned as cash) relative to others on the approved list. Lower cost Collective Investment Schemes tend to be Passively Managed Collective Investment Schemes (but the ACD may also select Actively Managed Collective Investment Schemes for exposure to shares).

When seeking exposure to bonds the ACD will tend to favour Actively Managed Collective Investment Schemes (but the ACD may also select Passively Managed Collective Investment Schemes for exposure to bonds).

In addition, the ACD will operate limits to ensure that the Fund does not have excessive exposure to any single: operator of Collective Investment Schemes; individual Collective Investment Scheme; or Derivative counterparty.

Where investments are made in instruments other than units in Collective Investment Schemes, these are also subject to investment due diligence.

The Fund's strategy is complemented by the use of Derivatives for Efficient Portfolio Management. It is expected that Derivatives (including passive Derivatives such as futures) will be used regularly, for example to manage risk or to respond quickly to developments in financial markets.

Further Information

The ACD uses the IA* Mixed Investment 40-85% Shares peer group as a Comparator Benchmark for the Fund.

As there is no suitable standardised global performance benchmark for risk target managed multi asset investment funds, this Comparator Benchmark has been chosen because it provides shareholders with a comparison of performance against a sector that largely consists of other multi asset funds which have the ability to invest globally, and which the ACD considers is a reasonable proxy for the likely asset mix ranges of the Fund. However this is a broad group of funds, therefore each fund may be aiming for slightly different investment objectives, and so the comparison is for indicative purposes only. As such, the ACD will not use this sector performance or its constituents to determine how it manages the Fund.

**Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. Some independent data providers prepare and publish performance data on the funds in each sector and investors can use this to compare the Fund's performance.*

The risk profile classification which the Fund is managed to stay within is set and monitored by Distribution Technology. The ACD may change the risk profiling service provider to another independent company in the future, which will be communicated in any future publications of the Prospectus.

The Fund operates with an OCF cap, which means that the ACD will aim to keep the cost of investing in it, excluding transaction costs, below a predetermined level. There may be circumstances where this cap is exceeded due to external factors such as an increase in the fees associated with the Fund's investment in Collective Investment Schemes, in which case the ACD will aim to bring fees back below it as soon as reasonably possible and fund any excess OCF costs over the OCF Cap.

The Fund has a Risk Category of Medium High in accordance with Santander UK plc's Risk Categorisation Process. The General Information and Glossary of Terms at the start of this Appendix 1

explains what this means.

Variable remuneration of individual fund managers employed by the ACD who are responsible for managing the Fund is determined by assessing a number of different factors. Insofar as these relate to investment performance, any assessment will be made by comparing Fund performance relative to a commercial peer group of competitor funds with similar investment objectives and policies.

Classes	I Accumulation Shares
Currency of Denomination	Pounds Sterling
Minimum Initial Investment	£500
Minimum Subsequent Investment	£1.50
Minimum Withdrawal	£1.50
Minimum Holding	£500
ACD's Annual Management Charge	0.40%
OCF Cap	0.99%
Initial Charge	0%
Annual Accounting Date and Annual Income Allocation Date	31 March
Annual Income Distribution Date	31 May
Interim Accounting Date and Interim Income Allocation Date	30 September
Interim Income Distribution Date	30 November
Annual Report published by	31 July
Interim Report published by	30 November
Leverage	Gross method calculation basis: 2:1 (i.e. 200% exposure as % of NAV) Commitment method calculation basis: 2:1 (i.e. 200% exposure as % of NAV)
Additional Information	Up to date details of where underlying Collective Investment Schemes are established can be obtained on request from the ACD

**Santander Enhanced Income Portfolio
PRN 642325**

Objective

The Fund's objective is to provide an income, with some potential for capital growth (to grow the value of your investment), over a 5+ year time horizon.

The Fund has a target annual income of 5% per annum, although this is not guaranteed.

Policy

The Fund is actively managed (by the appointed Sub-Investment Manager) and aims to achieve its objectives by investing at least 80% in a wide range of shares in companies listed, at the time of purchase, in the UK. Such companies may also be domiciled, incorporated or conduct a significant part of their business in the UK and can include Real Estate Investment Trusts (a type of property investment company) and other investment trusts.

The Fund may also invest up to 20% in shares in companies listed, at the time of purchase, in developed markets outside of the UK. The Fund will at all times be invested between 85% and 100% in shares.

The Fund may also invest, globally in developed markets, up to 5% in bonds issued by companies, governments, government bodies and supranationals (excluding sub-investment grade bonds), and up to 10% in cash, cash like and other money market instruments. This flexibility may be used at times when, for example, the Sub-Investment Manager believes that the potential returns from exposure to shares generally, or shares in a specific company relative to bonds issued by that company, have become less attractive, or due to adverse market conditions.

The Fund will typically invest directly. However, the Fund can also invest indirectly:

- by investing up to 10% in units of Actively Managed and / or Passively Managed Collective Investment Schemes. These Collective Investment Schemes may be managed by the ACD, any Sub-Investment Manager or other companies (including within the Santander Group). The Collective Investment Schemes may invest in a broader range of assets than the Fund (for example they may have exposure to commodities) and may use Derivatives differently; and
- in property through investment in Real Estate Investment Trusts primarily to generate income.

The Fund may use Derivatives for Investment Purposes (where Derivatives are used as part of the Fund's investment strategy to help achieve its investment objectives), and for Efficient Portfolio Management (including hedging), where Derivatives are used to either reduce risk, reduce cost, or to generate additional capital or income without materially affecting the risk profile of the Fund.

The Fund is managed with reference to the FTSE All Share Index TR as a Constraint Benchmark as further detailed in "Investment Strategy and Process" below.

The Fund has a Risk Category of High in accordance with Santander UK plc's Risk Categorisation Process.

Investment Strategy and Process

The ACD's investment philosophy is that the Fund's investment objectives can be achieved from appointing a skilled investment manager which focuses on long term investment views. The ACD has appointed one Sub-Investment Manager, based on their expertise, to manage the entire Fund and has put in place the investment guidelines which the Sub-Investment Manager must follow.

The ACD has in place an internal analysis and due diligence process to monitor the Sub-Investment Manager's management of the Fund, and it can change the Sub-Investment Manager at its discretion if it believes that this is in the best interests of Shareholders in the Fund.

The Sub-Investment Manager actively manages the Fund. This means that it aims to achieve the Fund's investment objectives by using its discretion to select investments that it believes will deliver income, in particular shares in companies which pay dividends.

The Sub-Investment Manager aims to enhance the natural income from the shares in which the Fund invests by using Derivatives. A key strategy used by the Sub-Investment Manager in this respect is the use of covered call options, where the Fund owns a share and sells the right to buy that share at a specified price within a specified time period, for the purpose of providing additional income to the Fund. It is expected that Derivatives will be used by the Fund regularly for Efficient Portfolio Management and less frequently for Investment Purposes.

As part of its investment process the Sub-Investment Manager will consider a number of factors with a focus on:

- Quality: companies that have, for example, consistent profits and strong cash flow, low debt and actual or potential asset growth;
- Momentum: a company's share price has performed well over a short period and is expected to continue to do so; and
- Value: a company's share price is lower than expected based on the company's characteristics and financial results.

To help inform its investment views and in addition to its own analysis, the Sub-Investment Manager uses external research as well as a third party screening process which identifies and ranks some of the companies the Fund may invest in based on quality, momentum and value.

An assessment will be completed by the Sub-Investment Manager on investment opportunities before investment decisions are made. Based on its investment views, the Sub-Investment Manager will select shares in companies which it believes will best achieve the Fund's investment objectives. In practice this means the Fund's portfolio will typically consist of shares in companies which offer attractive dividend prospects (with the aim of providing income for the Fund) and also predominantly have good quality and momentum characteristics (which provides the potential for capital growth for the Fund).

The Derivative strategies which the Sub-Investment Manager uses to enhance income may reduce (but not exclude) the potential for capital growth opportunities

While the Sub-Investment Manager will favour long term investments and avoid a high turnover of the Fund's portfolio and associated costs which can negatively impact the Fund's performance, it can change the Fund's investments, including to hold shorter term investments, where it believes these will provide income from dividends.

The companies the Sub-Investment Manager invests in can be of any size, however it will have a bias to investing in medium sized companies (for example those companies in the FTSE 250 Index). This is because the Sub-Investment Manager believes that these companies have good quality and momentum characteristics as well as attractive dividend prospects.

Although the Sub-Investment Manager has discretion to select investments, it will typically manage the Fund with a Tracking Error (against the Constraint Benchmark) of up to 6%. This means that although the Sub-Investment Manager does not have to invest in the same assets or in the same amounts, and may hold significantly fewer assets, than those which make up the Constraint Benchmark, some of the Fund's investments will reflect the constituents of the Constraint Benchmark. The Tracking Error of the Fund's portfolio may occasionally (for instance during volatile market conditions) be higher than 6% provided this is consistent with the investment strategy of the Fund.

Further Information

The ACD aims to pay the Fund's income in equal distributions over the course of each accounting year, and will set the amount of each installment at the start of the Fund's accounting year. The final distribution of the year will be a balancing payment which may be higher or lower than the preceding

distributions. There is no guarantee that the Fund will achieve its income target, or that the distributions will not change throughout the year.

The Constraint Benchmark has been selected for the Fund as it is representative of shares listed in the UK and therefore broadly in line with the investment policy of the Fund. The Constraint Benchmark is provided by FTSE International Limited, which as at the date of this Prospectus is included in the public register of administrators and benchmarks established and maintained by the FCA.

Sub-Investment Manager	Schroder Investment Management Limited
Classes	I Income Shares I Accumulation Shares
Currency of Denomination	Pounds Sterling
Minimum Initial Investment	£500
Minimum Subsequent Investment	£1.50
Minimum Withdrawal	£1.50
Minimum Holding	£500
ACD's annual management charge	0.50%
Initial Charge	0%
Annual Accounting Date and Annual Income Allocation Date	31 March
Annual Income Distribution Date	31 May
Distribution Dates	31 January, 28 February, 31 March, 30 April, 31 May, 30 June, 31 July, 31 August, 30 September, 31 October, 30 November, 31 December
Interim Accounting Date and Interim Income Allocation Date	30 September
Annual Report published by	31 July
Interim Report published by	30 November
Leverage	Gross method calculation basis: 2:1 (i.e. 200% exposure as % of NAV) Commitment method calculation basis: 2:1 (i.e. 200% exposure as % of NAV)
Additional Information	Up to date details of where underlying Collective Investment Schemes are established can be obtained on request from the ACD

APPENDIX 2

INVESTMENT POWERS AND SAFEGUARDS

1 General

The Company is a non-UCITS retail scheme and is structured as an umbrella company. It comprises various Funds, each of which is operated as a distinct Fund with its own portfolio of investments. The property of each Fund is invested with the aim of achieving the investment objective of that Fund but subject to the limits on investment set out in this Appendix and the provisions of chapter 5 of the FCA's COLL Sourcebook which are applicable to non-UCITS retail schemes. These limits apply to each Fund as summarised below.

It is not intended that any Fund will have an interest in any immovable property or tangible movable property.

2 Prudent Spread of Risk

The ACD must ensure that, taking account of the investment objectives and policy of each Fund, the scheme property of each Fund aims to provide a prudent spread of risk.

3 Transferable Securities

Each Fund is able to invest up to 100% in "approved securities", which are either: (i) transferable securities or money market instruments admitted to official listing in the UK or an EEA State; (ii) traded on or under the rules of an eligible securities market (otherwise than by the specific permission of the market authority); or (iii) recently issued transferable securities provided that the terms of issue include an undertaking that application will be made for those securities to be admitted to an eligible market (as defined below) and that such admission is secured within a year of issue.

Transferable securities include shares and stock of companies, debentures, debenture stock, loan stock, bonds, certificates of deposit and other instruments creating or acknowledging indebtedness issued by a variety of issuers (including governments, local authorities, and public authorities), warrants or certificates representing certain securities, in each case which are transferable without the consent of a third party.

An investment is not a transferable security unless the liability of the holder of it to contribute to the debts of the issuer is limited to any amount for the time being unpaid by the holder of it in respect of the investment.

An eligible securities markets is a:

- (i) regulated market;
- (ii) market established in the UK or an EEA State which is regulated, operates regularly and is open to the public; or
- (iii) market which the ACD, after consultation with and notification to the Depositary, has decided is appropriate for the purpose of investment of or dealing in the property of the Company, having regard to the relevant criteria in the FCA Regulations. These markets must operate regularly and be regulated, recognised, adequately liquid and has adequate arrangements for unimpeded transmission of income and capital to or for the order of investors, and open to the public.
- (iv) The eligible markets for any Fund as at the date of this prospectus are shown in Appendix 3. Further eligible securities markets may be added in accordance with Section 26 titled "Change Process".

4 Spread

4.1 Spread: General (not applicable in respect of a transferable security of any approved

money market instrument to which “Spread: Government and Public Securities” applies)

- (1) Not more than 20% in value of a Fund is to consist of deposits with a single body.
- (2) Not more than 10% in value of a Fund is to consist of transferable securities or money market instruments issued by any single body. This limit of 10% is raised to 25% in value of a Fund in respect of covered bonds. In applying these limits, certificates representing certain securities are to be treated as equivalent to the underlying security.

A single body is:

- (a) in relation to transferable securities and money market instruments, the person by whom they are issued; and
- (b) in relation to deposits, the person with whom they are placed.

(3) Not more than 20% of a Fund can be invested in transferable securities which: do not satisfy any of the paragraphs (i), (ii) or (iii) of "approved securities" in section 3 above; are money market instruments which are not admitted to or dealt in on an eligible market; and / or form part of an unregulated schemes.

(4) A Fund may be invested in transferable securities as described above on which any sum is unpaid only if it is reasonably foreseeable that the amount of any existing and potential call for any sum unpaid could be paid by the Fund at the time when payment is required without contravening the Regulations.

(5) A Fund may not acquire any investment attached to an actual contingent liability unless the maximum amount of such liability is ascertainable at the time of acquisition.

(6) The exposure to any one counterparty in an OTC derivative transaction must not exceed 10% in value of a Fund. For the purposes of calculating this limit, the exposure in respect of an OTC derivative may be reduced to the extent that collateral is held in respect of it if the collateral meets each of the conditions specified below:

- (a) it is marked-to-market on a daily basis and exceeds the value of the amount at risk;
- (b) it is exposed only to negligible risks (eg government bonds of first credit rating or cash) and is liquid;
- (c) it is held by a third party custodian not related to the provider or is legally secured from the consequences of a failure of a related party; and
- (d) it can be fully enforced by the Company at any time.

OTC derivative positions with the same counterparty may be netted provided that the netting procedures comply with the conditions set out in Part 3 (Contractual netting (Contracts for novation and other netting agreements)) of the UK CRR and are based on legally binding agreements.

All derivatives are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house is backed by an appropriate performance guarantee and is characterised by a daily mark-to market valuation of the derivative positions and an at least daily margining.

(7) Not more than 35% (or, in the case of Santander Enhanced Income Portfolio, not more than 10%) in value of a Fund is to consist of the units of any one Collective Investment Scheme.

(8) In the case of Santander Enhanced Income Portfolio, not more than 10% of its scheme property may consist of units in Collective Investment Schemes.

4.2 Spread: Government and Public Securities

(1) This rule applies in respect of transferable securities or approved money market instruments (“such securities”) which are issued or guaranteed by:

- (a) the UK or an EEA State;
- (b) a local authority of the UK or an EEA State;
- (c) a non-EEA State; or
- (d) a public international body to which the UK or one or more EEA States belong.

(2) Where no more than 35% in value of a Fund is invested in such securities issued by any one body, there is no limit on the amount which may be invested in such securities or in any one issue.

(3) More than 35% in value of a Fund may be invested in such securities issued or guaranteed by a single state, local authority or public international body provided that:

- (a) the ACD has before any such investment is made consulted with the Depositary and as a result considers that the issuer of such securities is appropriate in accordance with the investment objectives of that Fund;
- (b) no more than 30% in value of the property of that Fund consists of such securities of any one issue;
- (c) the property of the Fund includes at least six different issues of such securities, whether of that or another issuer; and
- (d) such securities may be issued or guaranteed by any of the following states: Austria, Belgium, Brazil, Bulgaria, Canada, China, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, India, Ireland, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, United Kingdom or United States of America.

4.3 Investment in Warrants and Nil and Partly Paid Securities

A Fund may not invest in warrants and nil and partly paid securities unless the investment complies with the following conditions:

(1) the exposure created by the exercise of the right conferred by the warrant must not exceed the limits applicable to the Fund detailed in sections 4.1 and 4.2 above;

(2) up to 100% of the value of the property of a Fund may consist of warrants provided that warrants may only be held if it is reasonably foreseeable that the exercise of the rights conferred by the warrants will not contravene the Regulations. Securities and approved money market instruments on which any sum is unpaid may be held by a Fund provided it is reasonably foreseeable that the amount of any existing and potential call for any sum could be paid by the Fund at any time when the payment is required without contravening the Regulations.

Warrants often involve a high degree of gearing so that a relatively small movement in the price of the underlying security results in a disproportionately large movement in the price of the warrant. The prices of warrants can therefore be volatile and this will increase the volatility of the relevant Fund.

4.4 Investment in Collective Investment Schemes

The property of a Fund may be invested in units in a Collective Investment Scheme (a “**Second Scheme**”) provided conditions (1) to (5) below are met.

(1) The Second Scheme:

- (a) is a UCITS scheme or satisfies the conditions necessary for it to enjoy the rights conferred by the UCITS Directive as implemented in the EEA;

- (b) is a non-UCITS retail scheme;
 - (c) is a recognised scheme;
 - (d) is constituted outside the United Kingdom and its investment and borrowing powers are the same or more restrictive than those of a non-UCITS retail scheme; or
 - (e) is a scheme not falling within (a) to (d) and in respect of which no more than 20% in value of the property of that Fund (including any transferable securities which are not approved securities) is invested.
- (2) The Second Scheme operates on the principle of the prudent spread of risk.
- (3) The Second Scheme is prohibited from having more than 15% in value of its property consisting of units in Collective Investment Schemes.
- (4) Participants in the Second Scheme must be entitled to have their units redeemed in accordance with the scheme rules at a price related to the net value of the property to which the units relate and determined in accordance with the Second Scheme.
- (5) Where the Second Scheme is an umbrella fund, the provisions in (2) to (4) and the requirements in the section titled “Spread: General” above apply to each of its sub-funds as if it were a separate scheme.

A Fund may invest in or dispose of units in a Second Scheme which is managed or operated by (or, for an ICVC, whose ACD is) the ACD or an associate of the ACD, only if the ACD is under a duty to pay to the Fund by the close of business on the fourth Business Day after the agreement to buy or to sell the amount referred to in (a) and (b).

- (a) Where an investment is made and there is a charge in respect of such investment, either:
 - (i) any amount by which the consideration paid by the Fund for the units in the Second Scheme exceeds the price which would have been paid for the benefit of the Second Scheme had the units been newly issued or sold by it; or
 - (ii) if such price cannot be ascertained by the ACD of the Company, the maximum amount of any charge permitted to be made by the seller of units in the Second Scheme.
- (b) Where a disposal is made and there is a charge in respect of such disposal, the amount of any charge made for the account of the ACD or operator of the Second Scheme or an associate of any of them in respect of the disposal.

Further to the above paragraph, any addition to or deduction from the consideration paid on the acquisition or disposal of units in the Second Scheme, which is applied for the benefit of the Second Scheme and is, or is like, a dilution levy made in accordance with FCA Regulation is to be treated as part of the price of the units and not as part of any charge; and any charge made in respect of an exchange of units in one sub-fund or separate part of the Second Scheme for units in another sub-fund or separate part of that scheme is to be included as part of the consideration paid for the units.

The property of a Fund may include Shares in another Fund of the Company.

4.5 Use of Derivatives

(1) Derivatives may be used by the Funds for efficient portfolio management as set out in the investment policy of each Fund in Appendix 1. Santander Enhanced Income Portfolio may also use derivative strategies for investment purposes. The Net Asset Value of a Fund may therefore at times be highly volatile. However it is the ACD’s intention that the Funds, owing to their portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments. The use of derivatives may change the risk profile of a Fund. Please also see Section 21 titled “Risk Factors”.

The requirements for the techniques used for efficient portfolio management and hedging are that they are:

- (a) economically appropriate in that they are realised in a cost effective way; and
- (b) entered into for one or more of the following specific aims:
 - (i) reduction of risk;
 - (ii) reduction of cost;
 - (iii) generation of additional capital or income for the relevant Fund with a risk level consistent with the Fund's risk profile and the risk diversification rules laid down in the FCA Regulations.
- (2) A transaction in a derivative or a forward transaction must:
 - (a) be in an approved derivative or be one which complies with the relevant FCA Regulations;
 - (b) if an OTC derivative, be in a future, an option, a contract for difference or other derivative traded over the counter, which must: be entered into with a counterparty which is acceptable under the FCA Regulations; be on approved terms as to valuation and close out; and be capable of reliable valuation and subject to verifiable valuation;
 - (c) have the underlying consisting of any or all of the following to which the Fund is dedicated: transferable securities; approved money market instruments; permitted deposits; permitted derivatives; permitted Collective Investment Scheme units; financial indices which satisfy the criteria set out in FCA Regulation; interest rates; foreign exchange rates; and currencies;
 - (d) if an approved derivative be effected on or under the rules of an eligible derivatives market;
 - (e) not cause a Fund to diverge from its investment objectives, or be entered into if the intended effect is to create the potential for an uncovered sale of one or more transferable securities, money market instruments, units in Collective Investment Schemes, or derivatives; and
 - (f) be with an Eligible Institution or Approved Bank.

The use of derivatives must be supported by a risk management process maintained by the ACD, which should take account of the investment objectives and policies of the Funds. A copy of this risk management process is available on request from the ACD.

(3) A transaction in derivatives or a forward transaction is to be entered into only if the maximum exposure, in terms of the principal or notional principal created by the transaction to which a Fund is or may be committed by another person is covered under the paragraph 4 below.

(4) Exposure is covered if adequate cover from the scheme property for the relevant Fund is available to meet its total exposure, taking into account the initial outlay, the value of its underlying assets, any reasonably foreseeable market movements, counterparty risk and the time available to liquidate any positions.

(5) Cash not yet received into the scheme property of a Fund but due to be received within one month, is available as cover for the purposes of paragraph 4 above.

(6) Property of a Fund which is the subject of a stocklending transaction is only available for cover if the ACD has taken reasonable care to determine that it is obtainable (by return or re-acquisition) in time to meet the obligation for which cover is required.

(7) The exposure relating to derivatives held by a Fund may not exceed the net value of its scheme property.

(8) Not more than 10% of a Fund is to be put at risk in respect of an exposure from an OTC derivative transaction to any one counterparty.

(9) All derivative transactions are deemed to be free of counterparty risk if they are performed on an exchange where the clearing house is:

- (a) backed by an appropriate performance guarantee; and
- (b) characterised by a daily mark-to-market valuation of the derivative positions and at least daily margining.

(10) No agreement by or on behalf of a Fund to dispose of property or rights may be made unless:

- (a) the obligation to make the disposal and any other similar obligation could immediately be honoured by the Fund by delivery of property of the assignment (or, in Scotland, assignation) of rights; and
- (b) the property and rights referred to in (a) above are owned by the Fund at the time of the agreement.

(11) The provisions of paragraph 10 above do not apply to a deposit, or where:

- (a) the risks of the underlying financial instrument of a derivative can be appropriately represented by another financial instrument and the underlying financial instrument is highly liquid; or
- (b) the ACD or the Depositary has the right to settle the derivative in cash and cover exists within the relevant scheme property which falls within one of the following asset classes:
 - (i) cash;
 - (ii) liquid debt instruments (eg government bonds of first credit rating) with appropriate safeguards (in particular haircuts); or
 - (iii) other highly liquid assets which are recognised considering their correlation with the underlying of the financial derivative instruments, subject to appropriate safeguards (eg haircuts where relevant).

(12) In the asset classes referred to in paragraph 11 above, assets may be considered as liquid where the relevant instruments can be converted into cash in no more than seven Business Days at a price closely corresponding to the current valuation of the financial instrument on its own market.

5 Cash and Near Cash

Each Fund may hold cash or near cash to the extent that it is necessary in order to enable:

- (a) the pursuit of the Fund's investment objectives;
- (b) redemption of Shares;
- (c) efficient management of the Fund in accordance with its investment objectives; or
- (d) other purposes which may reasonably be regarded as ancillary to the investment objectives of the Fund.

6 Borrowing

On the instructions of the ACD, the Company may borrow money for the use of the Funds on terms that the borrowing is to be repayable out of the property of the relevant Fund. Such borrowing is subject to any restriction set out in the Instrument of Incorporation. The Company may borrow only from an Eligible Institution or an Approved Bank. Borrowings may be arranged with the Depositary which is an Eligible Institution. The ACD must ensure that any borrowing of a Fund complies with the FCA Regulations.

The ACD must ensure that borrowing does not exceed 10% of the value of the property of a Fund on any Business Day.

These borrowing restrictions do not apply to “back to back” borrowing for currency hedging purposes, meaning borrowing permitted to reduce or eliminate risk arising by reason of fluctuations in exchange rates.

For the purposes of this paragraph, borrowing includes, as well as borrowing in a conventional manner, any other arrangement (including a combination of derivatives) designed to achieve a temporary injection of money into the scheme property of a Fund with the expectation that the sum will be repaid.

7 Breaches of the Investment and Borrowing Powers and Limits

Generally the ACD must at its own expense take action to rectify any breach by a Fund of its investment and borrowing powers and limits as soon as it becomes aware of it. However if:

- (a) the reason for the breach is beyond the control of the ACD and the Depositary; or
- (b) the exercise of rights conferred by investments held for any Fund would involve a breach,

the ACD must take the steps necessary to rectify such breach as soon as is reasonably practicable having regard to the interests of relevant Shareholders, and, in any event, within six months or, if it is a derivative or forward transaction, five Business Days.

8 Supplementary Information

Shareholders may upon request to the ACD obtain the following information which is supplementary to the Prospectus and which relates to:

- (a) the quantitative limits applying to the risk management of a Fund;
- (b) the methods used in relation to (a); and
- (c) any recent development of the risk and yields of the Fund’s main categories of investment.

APPENDIX 3

ELIGIBLE SECURITIES MARKETS

The Funds may deal through the securities markets indicated below in addition to any market established in the UK or an EEA State on which transferable securities admitted to official listing in the UK or an EEA State are dealt in or traded.

		Santander Atlas Portfolio 6	Santander Enhanced Income Portfolio	Santander Sterling Bond Portfolio	Santander Max 100% Shares Portfolio	Santander Max 50% Shares Portfolio	Santander Max 70% Shares Portfolio
Australia	Australian Securities Exchange (ASX)	√	√	√	√	√	√
Brazil	B3	√	√	√	√	√	√
Canada	Montreal Exchange	√	√	√	√	√	√
Canada	Toronto Stock Exchange	√	√	√	√	√	√
Canada	TSX Venture Exchange	√	√	√	√	√	√
China	Shanghai Stock Exchange	√	√	√	√	√	√
China	Shenzhen Stock Exchange	√	√	√	√	√	√
Hong Kong	HK GEM	√	√	√	√	√	√
Hong Kong	Hong Kong Exchanges and Clearing	√	√	√	√	√	√
India	BSE Limited	√	√	√	√	√	√
India	National Stock Exchange of India	√	√	√	√	√	√
Indonesia	Indonesia Stock Exchange	√	√	√	√	√	√
Israel	Tel Aviv Stock Exchange	√	√	√	√	√	√
Japan	Osaka Exchange	√	√	√	√	√	√
Japan	Tokyo Stock Exchange	√	√	√	√	√	√
Malaysia	Bursa Malaysia	√	√	√	√	√	√
Mexico	Bolsa Mexicana de Valores	√	√	√	√	√	√
New Zealand	New Zealand Exchange (NZX)	√	√	√	√	√	√
Peru	Bolsa de Valores de Lima	√	√	√	√	√	√
Philippines	Philippine Stock Exchange	√	√	√	√	√	√
Singapore	Singapore Exchange	√	√	√	√	√	√
South Africa	Johannesburg Stock Exchange	√	√	√	√	√	√
South Korea	Korea Exchange	√	√	√	√	√	√
Sri Lanka	Colombo Stock Exchange	√	√	√	√	√	√
Switzerland	SIX Swiss Exchange	√	√	√	√	√	√
Taiwan	Taipei Exchange	√	√	√	√	√	√
Taiwan	Taiwan Stock Exchange	√	√	√	√	√	√
Thailand	The Stock Exchange of Thailand	√	√	√	√	√	√
Turkey	Borsa Istanbul	√	√	√	√	√	√
United States	Chicago Stock Exchange	√	√	√	√	√	√
United States	Nasdaq - ALL MARKETS	√	√	√	√	√	√
United States	New York Stock Exchange	√	√	√	√	√	√
United States	NYSE American	√	√	√	√	√	√
United States	NYSE Arca	√	√	√	√	√	√
United States	The OTC market in US government securities conducted by primary dealers selected by the Federal Reserve Bank of New York	√	√	√	√	√	√
United States	United States OTC Market - Regulated by SEC / FINRA	√	√	√	√	√	√

ELIGIBLE DERIVATIVES MARKETS

The Funds may deal through the derivatives markets indicated below in addition to any market established in the UK or an EEA State on which derivatives are dealt in or traded.

		Santander Atlas Portfolio 6	Santander Enhanced Income Portfolio	Santander Sterling Bond Portfolio	Santander Max 100% Shares Portfolio	Santander Max 50% Shares Portfolio	Santander Max 70% Shares Portfolio
Australia	Australian Securities Exchange (ASX)	√	√	√	√	√	√
Canada	Montreal Exchange	√	√	√	√	√	√
Hong Kong	Hong Kong Exchanges and Clearing	√	√	√	√	√	√
Japan	Osaka Exchange	√	√	√	√	√	√
Japan	Tokyo Stock Exchange	√	√	√	√	√	√
New Zealand	New Zealand Exchange (NZX)	√	√	√	√	√	√
Singapore	Singapore Exchange	√	√	√	√	√	√
South Africa	Johannesburg Stock Exchange	√	√	√	√	√	√
South Korea	Korea Exchange	√	√	√	√	√	√
Switzerland	SIX Swiss Exchange		√				
Taiwan	Taipei Exchange	√	√	√	√	√	√
United States	Chicago Board of Trade	√	√	√	√	√	√
United States	Chicago Board Options Exchange (CBOE)	√	√	√	√	√	√
United States	Chicago Mercantile Exchange	√	√	√	√	√	√
United States	ICE Futures U.S.	√	√	√	√	√	√
United States	Nasdaq BX Options	√	√	√	√	√	√
United States	Nasdaq PHLX	√	√	√	√	√	√
United States	New York Mercantile Exchange	√	√	√	√	√	√
United States	NYSE American	√	√	√	√	√	√
United States	NYSE Arca	√	√	√	√	√	√
United States	BOX Options Exchange LLC	√		√	√	√	√
United States	Cboe BZX Options Exchange, Inc	√		√	√	√	√
United States	Cboe C2 Options Exchange, Incorporated	√		√	√	√	√
United States	Cboe EDGX Options Exchange, Inc	√		√	√	√	√
United States	Miami International Securities Exchange, LLC	√		√	√	√	√
United States	MIAX Emerald, LLC	√		√	√	√	√
United States	MIAX PEARL, LLC	√		√	√	√	√
United States	Nasdaq GEMX, LLC	√		√	√	√	√
United States	Nasdaq ISE, LLC	√		√	√	√	√
United States	Nasdaq MRX, LLC	√		√	√	√	√
United States	The Nasdaq Stock Market LLC	√		√	√	√	√

APPENDIX 4

LIST OF SUB-CUSTODIANS

Country	
Argentina	Citibank N.A., Argentina
Australia	Hong Kong and Shanghai Banking Corporation Limited Australia Branch Citigroup Pty Limited
Austria	UniCredit Bank Austria AG Citibank N.A. (Milan)
Bahrain	HSBC Bank Middle East Limited
Bangladesh	Hong Kong and Shanghai Banking Corporation Limited
Belgium	Citibank Europe Plc, UK branch
Bermuda	HSBC Bank Bermuda Limited
Botswana	Stanbic Bank Botswana Limited
Brazil	Citibank N.A., Brazil Itaú Unibanco S.A
Bulgaria	Citibank Europe Plc, Bulgaria Branch
Burkina Faso	Please see WAEMU market
Canada	CIBC Mellon Trust Company (CIBC Mellon)
Cayman islands	Bank of New York Mellon
Channel Islands	Bank of New York Mellon
Chile	Banco de Chile Itaú Corpbanca S.A.
China	HSBC Bank (China) Company Limited
Colombia	Cititrust Colombia S.A. Sociedad Fiduciara
Costa Rica	Banco Nacional de Costa Rica
Croatia	Privredna Banka Zagreb d.d.
Cyprus	BNP Paribas Securities Services, S.C.A Athens
Czech Republic	Citibank Europe Plc, Organizacni Slozka
Denmark	Skandinaviska Enskilda Banken AB (Publ)
Egypt	HSBC Bank Egypt S.A.E.
Estonia	Seb Pank AS
Euroclear	Euroclear Bank Clearstream Banking S.A
Finland	Skandinaviska Enskilda Banken AB (Publ)
France	BNP Paribas Securities Services S.C.A. Citibank Europe Plc, UK branch
Germany	Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
Ghana	Stanbic Bank Ghana Limited

Greece	BNP Paribas Securities Services S.C.A., Athens
Guinea Bissau	Please see WAEMU market
Hong Kong	Deutsche Bank AG Hong Kong and Shanghai Banking Corporation Limited
Hungary	Citibank Europe Plc, Hungarian Branch Office
Iceland	Landsbankinn hf
India	Deutsche Bank AG Hong Kong and Shanghai Banking Corporation Limited
Indonesia	Deutsche Bank AG, Jakarta
Ireland	Bank of New York Mellon
Israel	Bank Hapoalim B.M.
Italy	Italian CSD, Monte Titoli
Ivory Coast	Please see WAEMU market
Japan	Mizuho Bank Ltd Bank of Tokyo-Mitsubishi UFJ Limited
Jordan	Standard Chartered Bank
Kazakhstan	Joint-Stock Company Citibank Kazakhstan
Kenya	CfC Stanbic Bank Limited
Kuwait	HSBC Bank Middle East Limited, Kuwait
Latvia	AS SEB Banka
Lebanon	HSBC Bank Middle East Limited, Beirut Branch
Lithuania	AB SEB Bankas
Luxembourg	Euroclear Bank
Malawi	Standard Bank Limited
Malaysia	Deutsche Bank (Malaysia) Berhad
Mali	Please see WAEMU market
Malta	Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
Mauritius	Hong Kong and Shanghai Banking Corporation Limited
Mexico	Citibanamex
Morocco	Citibank Maghreb
Namibia	Standard Bank Namibia Limited
Netherlands	Bank of New York Mellon SA/NV
New Zealand	National Australia Bank Limited
Niger	Please see WAEMU market
Nigeria	Stanbic IBTC Bank Plc
Norway	Skandinaviska Enskilda Banken AB (Publ)
Oman	HSBC Bank Oman S.A.O.G.
Pakistan	Deutsche Bank AG
Panama	Citibank N.A., Panama Branch
Peru	Citibank Del Peru S.A.

Philippines	Deutsche Bank AG
Poland	Bank Polska Kasa Opieki S.A.
Portugal	Citibank Europe Plc, Sucursal em Portugal
Qatar	HSBC Bank Middle East Limited, Doha
Romania	Citibank Europe Plc, Romania Branch
Russia	Deutsche Bank Ltd AO Citibank Public Joint Stock Company (PJSC) ROSBANK
Saudi Arabia	HSBC Saudi Arabia Limited
Senegal	Please see WAEMU market
Serbia	UniCredit Bank Serbia JSC
Singapore	DBS Bank Ltd United Overseas Bank Ltd
Slovak Republic / Slovakia	Citibank Europe Plc, pobočka zahraničnej banky
Slovenia	UniCredit Banka Slovenia d.d.
South Africa	Standard Bank of South Africa Limited
South Korea	Deutsche Bank AG Hong Kong and Shanghai Banking Corporation Limited
Spain	Santander Securities Services, S.A.U. Banco Bilbao Vizcaya Argentaria, S.A.
Sri Lanka	Hong Kong and Shanghai Banking Corporation Limited
Swaziland	Standard Bank Swaziland Limited
Sweden	Skandinaviska Enskilda Banken AB (Publ)
Switzerland	Credit Suisse (Switzerland) Ltd
Taiwan	HSBC Bank (Taiwan) Limited
Tanzania	Stanbic Bank Tanzania Limited
Thailand	Hong Kong and Shanghai Banking Corporation Limited
Togo	Please see WAEMU market
Tunisia	Banque Internationale Arabe de Tunisie
Turkey	Deutsche Bank A.S.
Uganda	Stanbic Bank Uganda Limited
Ukraine	Public Joint Stock Company "Citibank"
United Arab Emirates-ADX	HSBC Bank Middle East Limited, Dubai
United Arab Emirates-DFM	HSBC Bank Middle East Limited, Dubai
United Arab Emirates-NASDAQ	HSBC Bank Middle East Limited, Dubai
United Kingdom	Bank of New York Mellon Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch
United States	Bank of New York Mellon

	HSBC Bank, USA, N.A.
Uruguay	Banco Itaú Uruguay S.A.
Venezuela	Citibank N.A., Sucursal Venezuela
Vietnam	HSBC Bank (Vietnam) Ltd
WAEMU (West African Economic and Monetary Union)	Société Générale de Banques en Côte d'Ivoire
Zambia	Stanbic Bank Zambia Ltd
Zimbabwe	Stanbic Bank Zimbabwe Limited

SCHEDULE 1

PAST PERFORMANCE

The table below shows the past performance of the Funds and that of their Target or Constraint Benchmark, where relevant. The time periods reflect the dates of each individual Fund's accounting year.

Please note that prior to 6 December 2021, **Santander Sterling Bond Portfolio had a Comparator Benchmark** of 75% Markit iBoxx Sterling Non Gilts Index, 25% FTSE Actuaries UK Conventional Gilts All Stocks Index and as a result (as a Comparator Benchmark), this benchmark past performance is not displayed below. From 6 December 2021 this changed to a **Target Benchmark** of 90% Markit iBoxx Sterling Non Gilts Index TR and 10% FTSE Actuaries UK Conventional Gilts All Stocks Index TR. In future, for accounting periods which include the period from 6 December 2021, performance for this Fund will be shown alongside that of its Target Benchmark.

Please note that from 22 December 2021 **the Target Benchmark for Santander Max 50% Shares Portfolio** changed from:

18% FTSE All Share Index, 7.5% FT World Europe Ex UK Index, 4% FT World Japan Index, 5.5% FT World USA Index, 2% FT All World Asia Pacific Ex Japan Index, 15.75% FTSE Actuaries UK Conventional Gilts All Stocks Index, 42.25% Markit iBoxx Sterling Non Gilts Index, 5% ICE GBP LIBOR 1 Month; to

42.25% Markit iBoxx Sterling Non-Gilts Index TR, 18% MSCI UK Index TR, 15.75% ICE BofA UK Gilts All Stocks Index TR, 7.5% MSCI Europe Ex UK Index TR, 5.5% MSCI USA Index TR, 5% Sterling Overnight Index Average (SONIA), 4% MSCI Japan Index TR and 2% MSCI AC Asia Pacific Ex Japan Index TR,

and **the Target Benchmark for Santander Max 70% Shares Portfolio** changed from:

25% FTSE All Share, 12% FTSE World Europe Ex UK, 6% FTSE World Japan, 10% FTSE World USA, 3% FTSE All World Asia Pacific Ex Japan, 10% FTSE Actuaries UK Conventional Gilts All Stocks Index, 30% Markit iBoxx £ Non Gilts, 4% non-indexed; to

30% Markit iBoxx Sterling Non-Gilts Index TR, 25% MSCI UK Index TR, 12% MSCI Europe Ex UK Index TR, 10% ICE BofA UK Gilts All Stocks Index TR, 10% MSCI USA Index TR, 6% MSCI Japan Index TR, 4% Sterling Overnight Index Average (SONIA) and 3% MSCI AC Asia Pacific Ex Japan Index TR.

Any performance for Santander Max 50% Shares Portfolio and Santander Max 70% Shares Portfolio for a period after 22 December 2021 will be shown against the relevant updated Target Benchmark. It is expected that these changes will not have any impact on the management of these Funds.

Name	Class	% Growth				
		01/04/2016	01/04/2017	01/04/2018	01/04/2019	01/04/2020
		31/03/2017	31/03/2018	31/03/2019	31/03/2020	31/03/2021
Santander Atlas Portfolio 6	I Accumulation Shares	20.14%	2.11%	2.47%	-9.46%	27.60%
Santander Enhanced Income Portfolio	I Income Shares	12.35%	2.42%	3.31%	-13.46%	33.20%
	I Accumulation Shares	12.28%	2.45%	3.23%	-13.42%	33.29%
	FTSE All Share TR	26.72%	-1.09%	7.02%	-18.43%	27.08%
Santander Sterling Bond Portfolio	R Accumulation Shares	7.33%	0.36%	2.79%	2.52%	4.96%
Santander Max 100% Shares Portfolio	R Accumulation Shares	31.95%	0.89%	8.50%	-5.78%	36.82%
	S Accumulation Shares	32.02%	1.05%	8.64%	-5.64%	37.04%
	MSCI ACWI Net TR GBP Index	32.03%	2.69%	10.77%	-7.00%	38.89%
Santander Max 50% Shares Portfolio	R Income Shares	13.85%	0.67%	2.57%	-4.81%	15.08%
	R Accumulation Shares	13.87%	0.64%	2.58%	-4.83%	15.12%
	S Accumulation Shares	13.86%	0.71%	2.69%	-4.83%	15.17%
	42.25% Markit iBoxx Sterling Non-Gilts Index TR, 18% MSCI UK Index TR, 15.75% ICE BofA UK Gilts All Stocks Index TR, 7.5% MSCI Europe Ex UK Index TR, 5.5% MSCI USA Index TR, 5% Sterling Overnight Index Average (SONIA), 4% MSCI Japan Index TR and 2% MSCI AC Asia Pacific Ex Japan Index TR.	15.21%	1.81%	4.70%	-2.22%	13.25%
Santander Max 70% Shares Portfolio	R Accumulation Shares	16.39%	1.38%	2.75%	-7.39%	21.04%
	S Accumulation Shares	16.55%	1.44%	2.90%	-7.25%	21.11%
	30% Markit iBoxx Sterling Non-Gilts Index TR, 25% MSCI UK Index TR, 12% MSCI Europe Ex UK Index TR, 10% ICE BofA UK Gilts All Stocks Index TR, 10% MSCI USA Index TR, 6% MSCI Japan Index TR, 4% Sterling Overnight Index Average (SONIA) and 3% MSCI AC Asia Pacific Ex Japan Index TR.	18.57%	2.06%	5.43%	-4.92%	19.03%

Source Lipper: NAV at noon, bid to bid, net of fees, revenue reinvested, primary share class.

Source FactSet: Benchmark returns are based on daily index valuations as at close of business of the relevant market and are not subject to fees.

Past performance is not a reliable indicator of future results. The value of investments and the revenue from them can go down as well as up and investors may not get back the amount originally invested.

