

Additional information for products promoting social and/or environmental characteristics (Art. 8 SFDR)

Santander European Dividend

SAM's ESG analysis methodology

Santander Asset Management's ESG assessment is a robust process that takes into account different components

- Valuation analysis where the behaviour of issuers is assessed in relation to different environmental, social and governance criteria. This analysis results in an ESG rating for each issuer that is used as a metric to assess their suitability for investment in terms of ESG risks and opportunities.

The ESG evaluation is composed of general analysis criteria - common to all sectors - and specific criteria - depending on the sector and activity - covering all relevant ESG factors belonging to the fundamental thematic areas for environmental, social and good governance analysis. For the analysis of governments, agencies and supranationals, ESG criteria adapted to the characteristics of these issuers are used. Examples of indicators can be found in the SAM SRI Policy.

- Exclusions based on the nature of the activities carried out by the issuers or on the identification of risks through the monitoring of possible controversial issues. Exclusions are based on Santander Group's policies, which apply to different sensitive sectors. Likewise, exclusions for non-compliance with regulations apply.

This ESG assessment allows a broader view of the risks and opportunities that assets are exposed to. This analysis seeks to identify those issuers that are best prepared to face the challenges of the future and that, therefore, have policies and management systems with the greatest potential for positive impact on society and the environment and that allow them to anticipate and avoid potential risks associated with these fields.

Compliance with the investment strategy is monitored monthly by the investment and sustainability committees. In these committees, compliance with the ESG requirements of the products is monitored, controversies identified are presented and discussed in order to reach a consensus on how to proceed, and if it is necessary to exclude from the fund those assets affected by relevant controversies. Likewise, these committees propose individual engagement activities with companies.

For more information, please refer to SAM's SRI Policy and specific information on each product.

Sources of information

Santander Asset Management conducts its ESG assessment based on data provided by external providers, incorporating them into its own assessment methodology, designed internally by SAM's SRI team and based on market references and the main international reference frameworks and standards.

Additionally, SAM complements this quantitative analysis with a qualitative analysis based on the public information of the companies and the information gathered in engagement activities.

Social and environmental characteristics

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

The Sub-Fund applies ESG assessment criteria at the issuer level, according to Santander Asset Management's ESG analysis methodology, as well as the following Sustainable and Responsible investment strategies (SRI), in order to manage risks and mitigate potential adverse impacts that may impact the fund's profitability:

- Exclusion criteria based on the issuer's activity. Activities considered not aligned with the fund's social and environmental characteristics are excluded from the investable universe.
- Controversy analysis to identify breaches of internationally recognized norms and standards. Those companies that are involved in controversies considered critical are excluded from the investable universe.
- The average minimum ESG rating of the portfolio should be at least an A- on a 7-level scale (from C- to A+, where A+ reflects the best ESG performance). This average portfolio ESG rating is calculated in accordance with SAM's own methodology, which is applied to the analysis of the product's underlying assets.
- Engagement and voting in line with the social and environmental characteristics of the sub-fund's and with SAM's Engagement Policy and Voting Policy.

At portfolio level, SAM uses different indicators to measure the social and environmental characteristics of the product, such as the average portfolio ESG score and rating and the portfolio score in the three pillars, environmental, social and governance.

The Sub-Fund does not have a specific sustainable objective.

The Sub-Fund does not use a reference index aligned with the social and environmental characteristics promoted by the Sub-Fund.

Important information

"This document is intended to provide information that summarizes the main characteristics of the product and under no circumstances constitutes a contractual agreement, a recommendation, personalized advice, an offer or solicitation.

It is recommended that the Prospectus and the KIID (Key Investor Information Document) are consulted before taking any investment decision, subscribing or purchasing shares or redeeming investments, together with the list of countries where the product is registered for sale, available at www.santanderassetmanagement.lu or via authorised intermediaries in your country of residence. The product described in this document may not be eligible for sale or distribution in certain jurisdictions or to certain categories or types of investors. This product may not be directly or indirectly offered or sold to or for the benefit of a United States Person under FATCA regulation (Foreign Account Tax Compliance Act), in line with the selling restrictions of the prospectus of the fund.

This fund has a prospectus which is drafted in English and can be obtained from www.santanderassetmanagement.lu

For product information, please contact Santander Asset Management Luxembourg S.A. (43, Av. John F. Kennedy, L-1855 Luxembourg - Grand Duchy of Luxembourg), management company of the fund under the supervision of Commission de Surveillance du Secteur Financier (CSSF). The depositary and administrator of the fund is JP Morgan SE, Luxembourg Branch (6, route de Treves, L-2633 Senningerberg - Grand Duchy of Luxembourg).

Investment in mutual funds may be subject to investment risks, including but not limited to, market risk, credit risk, issuer and counterparty risk, liquidity risk, foreign currency risk and, where applicable, risks pertaining to emerging markets. Additionally, if funds hold investments in hedge funds, assets, real estate funds, commodities and private equity, it should be noted that these can be subject to valuation and operational risks inherent in this type of assets and markets as well as the risk of fraud or risk derived from investing in unregulated or unsupervised markets or unlisted assets.

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

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

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