

Santander Multi Index Fund 1

Prospectus changes following updates to Fund Documents

The tables below show the previous disclosure for the Fund's investment objective, investment policy and further information, as set out in the Prospectus, compared to the updated version.

	Previous	Updated
Investment Objective	<p>The Fund's objective is to provide a combination of capital growth and income over a 5+ year time horizon.</p> <p>The Fund will aim to outperform (after the deduction of fees) the following composite Target Benchmark over a rolling 3 year time period: 13% FTSE All Share Index, 3% FTSE World Europe Ex UK Index, 4% FTSE USA Index, 27% FTSE A British Govt All Stocks Index, 45% Markit iBoxx Sterling Non Gilts Overall Index, 5% BofA Merrill Lynch Global High Yield (GBP Hedged) Index and 3% LIBOR GBP Overnight Rate.</p> <p>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.</p>	<p>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.</p> <p>The Fund will aim to outperform (after the deduction of fees) the following composite Target Benchmark measured over a rolling 3 year time period: 45% iBoxx Sterling Non Gilts Overall TR, 30% FTSE Actuaries UK Conventional Gilts All Stocks TR, 13% FTSE All Share TR, 5% BofA ML Global High Yield, 4% FTSE USA TRI GBP and 3% FTSE World Europe Ex UK TRI GBP.</p> <p>It is expected that average outperformance for the Fund will typically not be greater than 0.10% per annum (after the deduction of fees) in excess of the Target Benchmark over a rolling 3 year period, although no level of outperformance is guaranteed.</p>
Investment Policy	<p>The Fund aims to achieve its objective by investing globally in a wide range of bonds issued by companies and governments and shares issued by listed companies. The Fund's exposure to global shares will never exceed 30%.</p> <p>To obtain exposure to these assets, the Fund will invest indirectly by purchasing units in index tracking Collective Investment Schemes managed by other companies and / or the ACD or other companies within the Santander Group. The Fund may also invest in other types of Collective Investment Schemes and directly.</p>	<p>The Fund is part of the Santander Multi Index Fund range. This range consists of four funds numbered 1-4 which all have the same objectives to deliver capital growth with the potential for income and to outperform a relevant composite target benchmark. This Fund will typically have the lowest level of risk compared to other funds in the range, and therefore the lowest level of exposure to shares, with Santander Multi Index Fund 4 having the highest level of risk and exposure to shares. This will mean that the Fund is expected to deliver the lowest level of return over the periods stated in its investment objectives within the range.</p>

	<p>The ACD has the discretion to manage the Fund according to its investment views and opportunities identified as market and economic conditions change. It will select investments that it believes will best achieve the Fund's objective. An assessment will be completed on all investment opportunities before any investment decisions are made.</p> <p>At least 70% of the Fund will at all times be invested in the asset classes described above, but it has the flexibility to invest in other assets globally, such as cash, near cash and other money market instruments, real estate and commodities.</p> <p>The Fund is managed to stay within a Lower Risk category in accordance with Santander UK's Risk Categorisation Process.</p> <p>The Fund may use Derivatives for Efficient Portfolio Management.</p> <p>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.</p>	<p>The Fund is actively managed and aims to achieve its objectives by obtaining exposure globally (including up to 15% to non-developed markets), through investment in Passively Managed Collective Investment Schemes, of:</p> <ul style="list-style-type: none"> • between 65% and 85% to bonds issued by companies, governments, government bodies and supranationals. These bonds can be investment grade or sub-investment grade but a maximum of 15% of the Fund can be exposed to sub-investment grade bonds. Although the Fund will invest globally, typically it will have a higher exposure to bonds denominated in or Hedged to Pounds Sterling; • between 10% and 30% to shares in companies. This can include Real Estate Investment Trusts (a type of property investment company) and other investment trusts; • up to 10% in commodities; and • up to 10% (or a higher amount only in adverse market conditions) in cash, cash like and other money market instruments. <p>The Passively Managed Collective Investment Schemes will be managed by other companies (not the ACD or other companies within the Santander Group), and may invest in a wider range of assets or use Derivatives differently than the Fund. Between 80% and 100% of the Fund will be invested in Passively Managed Collective Investment Schemes. As these will each track an Index or Indices, the Fund will have exposure to multiple Indices. Further information on the holding of Passively Managed Collective Investment Schemes is detailed in "Investment Strategy and Process" below.</p> <p>The Fund may also seek exposure to the above asset classes through investing up to 5% in Actively Managed Collective Investment</p>
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	<p>Schemes. The Fund can also invest directly in the above asset classes (but not in relation to commodities, where exposure can also be sought through investment in exchange traded commodities), although this will not be a key part of its investment strategy because of the level of investment in Collective Investment Schemes described above.</p> <p>The ACD will aim to achieve the Fund's investment objectives by seeking exposure to asset or sub-asset classes, geographies and sectors which it believes, based on its views on market and economic outlook, and geopolitical considerations, will outperform the Target Benchmark. This is the key strategy by which the ACD seeks to achieve the investment objectives.</p> <p>In implementing this asset or sub-asset class, geography and sector led strategy, the Fund is permitted to invest up to 100% in Passively Managed Collective Investment Schemes for a sustained period.</p> <p>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.</p> <p>The Fund has a Risk Category of Lower in accordance with Santander UK plc's Risk Categorisation Process.</p> <p>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</p>
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		<p>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.</p> <p>Investment Strategy and Process</p> <p>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.</p> <p>The ACD seeks exposure to asset or sub-asset classes, geographies and sectors which it believes will outperform the Target Benchmark. It is expected that average outperformance by the Fund of the Target Benchmark will typically not be greater than 0.10% per annum (after the deduction of fees) over a rolling 3 year period (although any such outperformance is a target only and is not guaranteed).</p> <p>As part of its investment process the ACD will consider the composition of the Target Benchmark but it is not constrained by reference to the Target Benchmark. This means that it does not have to seek exposure to the same constituents that make up the Target Benchmark or in the same amounts, although there may be times when the Fund's investment exposures are similar to those of the Target Benchmark.</p> <p>The ACD will complete an assessment before any investment decisions are made. This ongoing process will generally consist of:</p> <ul style="list-style-type: none"> • 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,
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		<p>both on a longer term (strategic) and shorter term (tactical) basis.</p> <ul style="list-style-type: none"> • Observing an internally approved list of 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 Passively Managed Collective Investment Schemes, by either the ACD and/or other companies within the Santander Group, to inform the approved list. • Selecting Passively Managed 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. <p>The ACD will favour Passively Managed Collective Investment Schemes which offer attractive returns and therefore generate capital growth, and potentially income, for the Fund, relative to other Passively Managed Collective Investment Schemes on the approved list.</p> <p>In implementing the ACD's investment strategy there may be times when up to 100% of the Fund may be held in Passively Managed Collective Investment Schemes for a sustained period.</p> <p>The ACD will operate limits to ensure that the Fund does not have excessive exposure to any one: operator of Passively Managed Collective Investment Schemes; individual Passively Managed Collective Investment Scheme; or Derivative counterparty.</p> <p>To help monitor the Fund, the ACD will consider a range of risk measures, which may inform its investment</p>
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		<p>processes. Some measures will reference the Target Benchmark.</p> <p>Where investments are made in instruments other than units in Collective Investment Schemes, these are also subject to investment due diligence.</p> <p>The Fund's strategy is complemented by the deployment of Derivatives for Efficient Portfolio Management. It is expected that Derivatives will be used regularly (for example to manage risk or to respond quickly to developments in financial markets).</p>
<p>Further Information</p>	<p>The Target Benchmark for the Fund has been selected as it contains a broad mix of different asset classes and countries / regions which are broadly in line with the investment objective of the Fund. Note that the ACD does not employ risk limits in managing the Fund that are related to the Target Benchmark.</p> <p>Variable remuneration of individual fund managers for 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 the Target Benchmark as well as a commercial peer group of competitor funds with similar investment objectives and policies.</p>	<p>The Target Benchmark for the Fund has been selected as it contains a broad mix of different asset and sub-asset classes and countries / regions which are broadly in line with the investment policy of the Fund.</p> <p>The Indices which together make up the composite Target Benchmark are provided by IHS Markit Benchmark Administration Limited, FTSE International Limited and ICE Data Indices, LLC respectively. As at the date of this Prospectus, these index providers are on the public register of administrators and benchmarks established and maintained by the FCA.</p> <p>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.</p> <p>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.</p>

		<p>Variable remuneration of individual fund managers employed by the ACD 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 the Target Benchmark and may also include a comparison against a commercial peer group of competitor funds with similar investment objectives and policies.</p>
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