

Santander Go Emerging Markets Equity

8 / 2026

Fund commentary

Market Review:

Emerging market (EM) equities posted positive returns in August in US dollar terms, outperforming developed market (DM) peers as measured by the MSCI World Index, with notably strong returns from South Africa, Korea and Taiwan. A tech-led rebound, a weaker US dollar and recovering commodity prices supported positive returns from the EM index. This helped offset the impact of a re-escalation in the Middle East conflict, which weighed on sentiment somewhat and kept oil prices volatile, while the focus on rising global bond yields had a more muted impact in EM than DM.

South Africa was the EM index's top-performing market in the month, posting double-digit returns, as it benefited from strength in precious and industrial metals coupled with positive news on the macroeconomic front as headline inflation surprised on the downside. Taiwan was also a standout performer, as markets regained some confidence in the continuing heavy investment in AI infrastructure, benefiting semiconductor, memory and hardware stocks. The Saudi Arabian, Polish and Korean markets also gained and outperformed the MSCI EM Index. In Korea, the market reversed some of its losses following its sharp fall in July, as volatility moderated and much of the excess leverage in the market was flushed out from the July pullback, leading to cleaner investor positioning. Continued strong earnings and revenue guidance from major AI-related companies also helped alleviate concerns about the sustainability of the AI investment cycle.

Conversely, the smaller markets of the Czech Republic, Chile, Peru and the UAE ended modestly behind the benchmark over the month despite posting positive absolute returns in US dollar terms. India and China fell slightly and underperformed the MSCI EM Index. In India, encouraging signs from continued institutional investor inflows and strong second-quarter 2026 GDP growth of 7.8% were dampened by elevated oil price volatility, higher rate expectations and the market's relatively demanding valuations. In China, weak economic data and subdued domestic demand weighed on sentiment, while weakness in internet stocks offset gains from healthcare and materials companies. Brazil was the key underperformer among the larger index markets, as economic data pointed to slowing growth and political developments came to the forefront, with the October presidential election looming. The official campaign period kicked off in August, with a highly competitive and volatile contest between President Lula da Silva and challenger Flavio Bolsonaro expected. The smaller markets of Thailand, Colombia and the Philippines were the largest EM underperformers in the month.

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

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

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

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

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

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

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

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

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

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

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

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

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

Drivers of Fund Performance:

The fund posted a positive return during the period and was slightly ahead of the index.

At the market level, we saw positive contributions from stock selection in both China and Taiwan. Stock selection and the underweight position in Korea were a modest drag. At the sector level, stock selection within healthcare and materials contributed most positively during the month, as well as the underweight to consumer discretionary. Our underweight to IT was a slight drag.

In terms of stock performance, the strongest contribution came from Lite-On Technology (Taiwan) which rallied on strong earnings and ongoing strength in demand for AI server-related power management systems. Strong earnings results also supported shares of Wuxi Aptec (China), while the rebound in gold prices drove Zijin Gold International (China) higher. On the negative side, CATL (China) was weak on concerns about margin pressure and rising competition, while our nil holdings in Unimicron (Taiwan) and Asia Vital Components (Taiwan) were drags on the portfolio as AI-related names rebounded post their July selloff.

Portfolio activity:

During the month, we continued to add to more defensive names in the portfolio including LG Corp (Korea), Zijin Mining (China) and HSBC (Hong Kong) to further balance the portfolio's exposure.

Market outlook:

Middle East geopolitics remain fragile as the northern hemisphere winter approaches. A durable resolution between the US and Iran still looks some way off – assuming one is reached at all – and the Strait of Hormuz is effectively closed. We continue to believe that it is in both sides interests to de-escalate tensions, however, subsequent oil market normalisation will take time and energy demand will be supported by inventory rebuild. Energy inflation should therefore persist well into 2027. On a longer horizon, crude oil supply should be lifted by the UAE's departure from OPEC and potential sanctions relief that enables Iran to increase its exports.

Many EM countries entered the current geopolitical shock with high real rates, strong balance of payments positions and reduced reliance on foreign capital. The Middle East conflict and resultant oil shock has put easing cycles on hold

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

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

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

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

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

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

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

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

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

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

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

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

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

and led to rate hikes in some EM. A lasting ceasefire would reduce inflationary pressures and improve the outlook for EM rates; however, EM central bank policy is likely to be constrained by Fed action.

We continue to believe that AI is a powerful structural theme with increasing evidence around use cases. AI-related capex demand should remain strong through 2027, driven by capex commitments by US hyperscalers. Following a shakeout in July, positioning looks more secure and the cycle may continue to surprise positively, supporting earnings growth into 2028 off an already high base. Nonetheless, we recognise that supply is responding, forecast risk remains elevated, and capex plans are increasingly reliant on external funding, the availability of which is sensitive to US bond yields.

In China, the macroeconomic backdrop remains soft, but not weak enough to prompt meaningful policy action. Poor credit demand remains one of the clearest signs of domestic economic weakness amid an ongoing property market decline and depressed consumer confidence. However, so long as external sector strength is a sufficient offset, policy support is expected to remain incremental and reactive. A fragile truce with the US is in place but underlying tensions are breaking out more frequently, with restrictions and sanctions directed towards key strategic areas, including AI. The direction is for further US-China decoupling. Tensions with the EU are also increasing.

In the near term, a resilient US economy is supportive of the US dollar, as the Fed is expected to continue tightening while other central banks approach the end of their hiking cycles.

However, we continue to believe the dollar will weaken over the medium-term, owing largely to ongoing US policy uncertainty and the economy's large twin deficits.

Aggregate headline EM valuations look reasonable. EM is trading below its long-term average earnings multiple supported by strong, albeit narrow, earnings growth that is focused in the AI hardware supply chain. Korea and Taiwan continue to enjoy positive earnings revisions but elsewhere in EM, revisions are essentially flat. Near term, the key risk for EM remains the conflict in the Middle East and the extent to which events carry longer-term economic and market consequences. Other areas to monitor include the evolution of the AI supply-demand balance, policy uncertainty associated with the Trump administration, US-China relations, the conflict in Ukraine and US geopolitical ambitions elsewhere.

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

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

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

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

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

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

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

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

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

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

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

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

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