

IDENTITY OF EXECUTION VENUES AND QUALITY OF EXECUTION

2018

Introduction

The Firm's Order Execution Policy sets out the parameters for executing client orders. We take all sufficient steps to obtain the best possible result for our clients by abiding by this policy. Aside from the explicit best execution rules explained in the policy, we have an overriding duty to act honestly, fairly and professionally in accordance with the best interests of our clients at all time.

Decisions to trade are made by the portfolio managers on a discretionary basis on behalf of our clients and transmitted to other entities for execution. The Firm does not have retail clients, therefore we do not treat different categories of clients differently.

The Firm placed a significant proportion of Collective Investment Scheme orders with a close affiliate, Sanlam Asset Management Ireland. For such investments there is no double management fee (e.g. the Sanlam Fund invests into a zero fee class) and the preliminary/initial/redemption charge is waived. Prior to investing in Funds managed by other Sanlam affiliates, we inform investors (through the prospectus or supplement) that such a strategy may be followed by the specific Fund.

No orders for any other asset classes were executed with any close affiliates.

The execution venue for CIS is limited to the Management Company of the Fund, therefore there is no scope to consider execution factors when trading CIS.

The following changes were made to the approved broker list in 2018:

Additions

- N+1 Singer

Removed

- King & Shaxson
- Revere Securities
- Kepler Securities
- Cenkos
- UBS

These removals were due to a combination of a Fixed Income team leaving the business, low volumes and lack of connectivity.

Sanlam Investments does not receive any form of remuneration, discount or non-monetary benefit for directing orders to a particular venue or broker for execution. The selection of a broker for an order is driven solely by the factors and inputs as described in our Order Execution Policy.

We have a Dealing Oversight Committee in place where the quality of execution obtained on the execution venues and potential changes to the list of approved brokers is discussed on a regular basis. We also undertake an annual review of all brokers on the approved list. This

includes assessments of execution quality, service delivery, regulatory status, the financial standing of the firm and a review of the RTS 27 (if published by the broker).

The relative importance the Firm has given to the various execution factors are described in detail for each asset class within this document.

Client Type	PROFESSIONAL				
Class of Instrument	EQUITIES - SHARES AND DEPOSITARY RECEIPTS (NO TICK BAND*)				
Notification if <1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
CLSA (UK) 213800VZMAGVIU2IJA72	48.3%	50.6%	N/A	N/A	0%
Merrill Lynch, Pierce, Fenner & Smith Incorporated 8NAV47T0Y26Q87Y0QP81	18.3%	3.2%	N/A	N/A	0%
Citigroup Global Markets Limited XKZZ2JZF41MRHTR1V493	12.8%	5.2%	N/A	N/A	0%
J.P. Morgan Securities Plc K6Q0W1PS1L1O4IQL9C32	12.5%	26.6%	N/A	N/A	0%
Instinet Europe Limited 213800MXAKR2LA1VBM44	4.9%	10.4%	N/A	N/A	0%

*Equities with no tick size are those traded outside of the EU and are not maintained within the FIRDS database.

We consider a number of execution strategies, trading entities and venues in order to facilitate the most appropriate choice. The execution factors in order of importance were:

1. Price and liquidity
2. Speed and likelihood of execution
3. Size and nature of the order
4. Costs
5. Likelihood of settlement

The relative importance of each of these factors may vary slightly depending on 1) the intent of the investment manager who created the order and 2) the characteristics of the order, financial instrument and the execution venue.

Client Type	PROFESSIONAL				
Class of Instrument	EQUITIES - SHARES AND DEPOSITARY RECEIPTS: TICK SIZE LIQUIDITY BANDS 1 AND 2				
Notification if <1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Citigroup Global Markets Limited XKZZ2JZF41MRHTR1V493	38.0%	37.0%	N/A	N/A	0%
Sanford C. Bernstein & Co., LLC 549300I7JYZHT7D5CO04	14.7%	16.5%	N/A	N/A	0%
Instinet Europe Limited 213800MXAKR2LA1VBM44	13.5%	14.4%	N/A	N/A	0%
Robert W. Baird & Co. Incorporated 549300772UJAHRD6LO53	13.0%	14.5%	N/A	N/A	0%
Raymond James 213800GH3F4OW1COOV72	4.4%	4.4%	N/A	N/A	0%

We consider a number of execution strategies, trading entities and venues in order to facilitate the most appropriate choice. The execution factors in order of importance were:

1. Price and liquidity
2. Speed and likelihood of execution
3. Size and nature of the order
4. Costs
5. Likelihood of settlement

The relative importance of each of these factors may vary slightly depending on 1) the intent of the investment manager who created the order and 2) the characteristics of the order, financial instrument and the execution venue.

Client Type	PROFESSIONAL				
Class of Instrument	EQUITIES - SHARES AND DEPOSITARY RECEIPTS: TICK SIZE LIQUIDITY BANDS 3 AND 4				
Notification if <1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Instinet Europe Limited 213800MXAKR2LA1VBM44	67.9%	31.8%	N/A	N/A	0%
J.P. Morgan Securities Plc K6Q0W1PS1L1O4IQL9C32	21.1%	66.2%	N/A	N/A	0%
Canaccord Genuity Limited ZBU7V5NIMN4ILRFC23	2.1%	0.3%	N/A	N/A	0%
Merrill Lynch, Pierce, Fenner & Smith Incorporated 8NAV47T0Y26Q87Y0QP81	0.5%	0.3%	N/A	N/A	0%
Sanford C. Bernstein & Co., LLC K6Q0W1PS1L1O4IQL9C32	0.3%	0.2%	N/A	N/A	0%

We consider a number of execution strategies, trading entities and venues in order to facilitate the most appropriate choice. The execution factors in order of importance were:

1. Price and liquidity
2. Speed and likelihood of execution
3. Size and nature of the order
4. Costs
5. Likelihood of settlement

The relative importance of each of these factors may vary slightly depending on 1) the intent of the investment manager who created the order and 2) the characteristics of the order, financial instrument and the execution venue.

Client Type	PROFESSIONAL				
Class of Instrument	EQUITIES - SHARES AND DEPOSITARY RECEIPTS: TICK SIZE LIQUIDITY BANDS 5 AND 6				
Notification if <1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Instinet Europe Limited 213800MXAKR2LA1VBM44	48.9%	23.0%	N/A	N/A	0%
J.P. Morgan Securities Plc K6Q0W1PS1L1O4IQL9C32	34.3%	73.2%	N/A	N/A	0%
Citigroup Global Markets Limited XKZZ2JZF41MRHTR1V493	6.2%	1.2%	N/A	N/A	0%
Sanford C. Bernstein & Co., LLC 549300I7JYZHT7D5CO04	5.0%	1.1%	N/A	N/A	0%
Robert W. Baird & Co. Incorporated 549300772UJAHRD6LO53	1.5%	0.5%	N/A	N/A	0%

We consider a number of execution strategies, trading entities and venues in order to facilitate the most appropriate choice. The execution factors in order of importance were:

1. Price and liquidity
2. Speed and likelihood of execution
3. Size and nature of the order
4. Costs
5. Likelihood of settlement

The relative importance of each of these factors may vary slightly depending on 1) the intent of the investment manager who created the order and 2) the characteristics of the order, financial instrument and the execution venue.

Client Type	PROFESSIONAL				
Class of Instrument	EQUITY DERIVATIVES: FUTURES AND OPTIONS ADMITTED TO TRADING ON A TRADING VENUE				
Notification if <1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
J.P. Morgan Securities Plc K6Q0W1PS1L1O4IQL9C32	99.7%	96.5%	N/A	N/A	0%
BNP Paribas R0MUWSFPU8MPRO8K5P83	0.3%	3.5%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%

When we trade Exchange Traded Derivatives, we execute the order on the regulated market on which the instrument is listed. Currently, there are no alternative markets or liquidity platforms. We use a small number of selected brokers due to the relatively low volumes, and the execution factors considered were:

1. Price
2. Speed
3. Costs

Client Type	PROFESSIONAL				
Class of Instrument	EXCHANGE TRADED PRODUCTS (EXCHANGE TRADED FUNDS, EXCHANGE TRADED NOTES AND EXCHANGE TRADED COMMODITIES)				
Notification if <1 average trade per business day in the previous year	YES				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Instinet Europe Limited 213800MXAKR2LA1VBM44	100.0%	100.0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%

We use a small number of selected brokers to execute Exchange Traded Products due to the very low volumes traded, as highlighted in the table as <1 average trade per business day, and also their experience in trading ETF's. We tend to trade liquid and vanilla ETF's, therefore the execution factors considered were as follows:

1. Price
2. Size
3. Speed and likelihood of execution
4. Cost

Client Type	PROFESSIONAL				
Class of Instrument	INTEREST RATE DERIVATIVES: FUTURES AND OPTIONS ADMITTED TO TRADING ON A TRADING VENUE				
Notification if <1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BNP Paribas R0MUWSFPU8MPRO8K5P83	98.0%	77.4%	N/A	N/A	0%
J.P. Morgan Securities Plc K6Q0W1PS1L1O4IQL9C32	2.0%	22.6%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%
N/A	0%	0%	N/A	N/A	0%

When we trade Exchange Traded Derivatives, we execute the order on the regulated market on which the instrument is listed. Currently, there are no alternative markets or liquidity platforms. We use a small number of selected brokers due to the relatively low volumes, and the execution factors considered were:

1. Price
2. Speed
3. Costs

Client Type	PROFESSIONAL				
Class of Instrument	DEBT INSTRUMENTS: BONDS				
Notification if <1 average trade per business day in the previous year	NO				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
JP Morgan Securities PLC	26.0%	26.5%	0%	100%	0%
Deutsche Bank Aktiengesellschaft	22.9%	15.5%	0%	100%	0%
The Royal Bank of Scotland Plc	20.0%	16.5%	0%	100%	0%
Jefferies International Limited	10.2%	7.7%	0%	100%	0%
Citigroup Global Markets Limited	10.0%	11.6%	0%	100%	0%

All orders are executed on Bloomberg MTF.

The execution factors considered, in order of importance, were:

1. Likelihood of execution and settlement
2. Price and size
3. Liquidity

The relative importance of each of these factors may vary, for example, if a bond is liquid, then price will be considered the most important factor.

Price discovery is one of the most challenging aspect of trading Fixed Income. We use Bloomberg MTF as they provide a better price discovery function.

Client Type	PROFESSIONAL		
Class of Instrument	CURRENCY DERIVATIVES: FORWARD FX		
Notification if <1 average trade per business day in the previous year	NO		
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Brown Brothers Harriman	90.8%	98%	0%
JP Morgan Securities Plc	9.2%	2.0%	0%
N/A			
N/A			
N/A			

We trade Forward FX for stock hedging purposes. Brown Brothers Harriman is the custodian for the funds currently trading FFX and therefore the following factors were considered in order of importance:

1. Speed and likelihood of execution
2. Likelihood of settlement
3. Price
4. Costs

Client Type	PROFESSIONAL		
Class of Instrument	OTHER – COLLECTIVE INVESTMENT SCHEMES		
Notification if <1 average trade per business day in the previous year	NO		
Top five execution venues (Management Co’s) ranked in terms of trading volumes	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Sanlam Asset Management Ireland Limited	87.5%	62.0%	0%
Invesco Fund Managers Limited, UK	2.3%	1.5%	0%
BlackRock (Luxembourg) S.A.	2.1%	6.1%	0%
Legg Mason Investments Europe Limited	1.1%	1.9%	0%
City Financial Investment Company Limited	1.1%	1.9%	0%

The execution venue for Collective Investment Schemes is limited to the Management Company, therefore execution factors cannot be considered when trading CIS.