

IDENTITY OF EXECUTION BROKERS  
QUALITY OF EXECUTION REPORT  
Sanlam Securities UK Ltd.

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.

Sanlam has professional clients only. We always strive to obtain the best outcome for our clients. Hence, Sanlam may exercise its judgment in the best interest of our clients, given the different needs and requirements.

We have a broker approval process in place and a Conflicts of Interest Policy in order to minimise the risks of disadvantaging our clients. There are no close links, conflicts of interests, and common ownership with respect to the execution venues used to execute orders. Sanlam Securities UK Ltd 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 an execution venue or a broker for an order is driven solely by the factors and inputs as described in our Order Execution Policy. Our list of approved brokers did not change significantly during the year.

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.

**Table 1: Brokers**

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Equities - Shares and Depositary Receipts: Tick size liquidity bands 5 and 6</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
Cowen Execution Services Limited LEI Code: 213800SS94VGJTFLIG64	95.6%	96.8%	n/a	n/a	0%
WINTERFLOOD SECURITIES LTD LEI Code: 8BRUP6V1DX3PIG2R0745	3.1%	2.0%	n/a	n/a	0%
Peel Hunt LLP LEI Code: 5493007DWNOR4YBM4C84	0.8%	0.3%	n/a	n/a	0%
STIFEL NICOLAUS EUROPE LIMITED LEI Code 213800BVEFNZ8UYPKL03	0.2%	0.1%	n/a	n/a	0%
SHORE CAPITAL MARKETS LIMITED LEI Code 213800SL93AE1F9QY139	0.06%	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	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Equities - Shares and Depository Receipts: Tick size liquidity bands 3 and 4</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
NUMIS SECURITIES LIMITED LEI Code: 213800P3F4RT97WDSX47	42.7%	2.4%	n/a	n/a	0%
Cowen Execution Services Limited LEI Code: 213800SS94VGJTFLIG64	28.9%	89.8%	n/a	n/a	0%
J.P. MORGAN SECURITIES PLC LEI Code: K6Q0W1PS1L104IQL9C32	16.9%	0.7%	n/a	n/a	0%
JEFFERIES INTERNATIONAL LIMITED LEI Code S5THZMDUJCTQZBTRVI98	6.5%	0.5%	n/a	n/a	0%
WINTERFLOOD SECURITIES LTD (LEI: 8BRUP6V1DX3PIG2R0745)	2.3%	2.5%	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	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Equities - Shares and Depositary Receipts: Tick size liquidity bands 1 and 2</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
Cowen Execution Services Limited LEI Code: 213800SS94VGJTFLIG64	79.1%	96.0%	n/a	n/a	0%
NPLUS1 SINGER CAPITAL MARKETS LIMITED LEI Code 213800ITO7QMNO9SFG53	11.9%	0.6%	n/a	n/a	0%
CANTOR FITZGERALD EUROPE LEI Code 549300KM6VUHPKQLQX53	2.7%	0.3%	n/a	n/a	0%
WINTERFLOOD SECURITIES LTD (LEI: 8BRUP6V1DX3PIG2R0745)	2.2%	1.4%	n/a	n/a	0%
NUMIS SECURITIES LIMITED LEI Code: 213800P3F4RT97WDSX47	1.4%	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	<b>PROFESSIONAL</b>				
Class of Instrument	<b>DEBT INSTRUMENTS: Bonds</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
BRIDPORT & CO (JERSEY) LTD LEI: 2138001S6PWXXBKK9S40	96.4%	85.7%	0%	100%	0%
GUY BUTLER LIMITED LEI Code: 213800AG2H8MB5FGJ538	2.0%	4.8%	0%	100%	0%
Peel Hunt LLP LEI Code:5493007DWN0R4YBM4C84	1.6%	9.5%	0%	100%	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

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

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

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 aspects of trading Fixed Income. We use MTF's as they provide a better price discovery function.

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>DEBT INSTRUMENTS: Money Markets</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
BRIDPORT & CO (JERSEY) LTD LEI: 2138001S6PWXXBKK9S40	100%	100%	0%	100%	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

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

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

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 aspects of trading Fixed Income. We use MTF's as they provide a better price discovery function.

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities)</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
Cowen Execution Services Limited (LEI Code 213800SS94VGJTFLIG64)	94.9%	96.0%	n/a	n/a	0%
Susquehanna International Securities Limited LEI Code: 635400IAV22ZOU1NFS89	4.5%	3.1%	n/a	n/a	0%
Optiver V.O.F. LEI Code 7245009KRY SAYB2QCC29	0.4%	0.4%	n/a	n/a	0%
WINTERFLOOD SECURITIES LTD (LEI: 8BRUP6V1DX3PIG2R0745)	0.1%	0.3%	n/a	n/a	0%
STIFEL NICOLAUS EUROPE LIMITED LEI Code 213800BVEFNZ8UYPKL03	0.1%	0.1%	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 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. Costs

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Securitized Derivatives: Warrants and Certificate Derivatives</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
Cowen Execution Services Limited LEI Code: 213800SS94VGJTFLIG64	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

We are responsible for the issuer selection, evaluating best execution on behalf of our clients and selecting the issuers that deliver the best possible result in respect of the execution of structured notes.

For primary offerings, we will generally compare multiple bids. In most cases, the issuer selection is a result of best deal economics. In the majority of situations, secondary offerings are required to be executed with the same dealer which facilitated in the initial issuance of the products. The execution factors we took into consideration were:

1. Product availability
2. Price
3. Liquidity
4. Cost



Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Securitized Derivatives: Other Securitized Derivatives</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
Cowen Execution Services Limited LEI Code: 213800SS94VVGJTFLIG64	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

We are responsible for the issuer selection, evaluating best execution on behalf of our clients and selecting the issuers that deliver the best possible result in respect of the execution of structured notes.

For primary offerings, we will generally compare multiple bids. In most cases, the issuer selection is a result of best deal economics. In the majority of situations, secondary offerings are required to be executed with the same dealer which facilitated in the initial issuance of the products. The execution factors we took into consideration were:

5. Product availability
6. Price
7. Liquidity
8. Cost

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Other Instruments</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
Cowen Execution Services Limited LEI Code: 213800SS94VGJTFLIG64	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

We are responsible for the issuer selection, evaluating best execution on behalf of our clients and selecting the issuers that deliver the best possible result in respect of the execution of warrants.

The execution factors we took into consideration were:

1. Product availability
2. Price
3. Liquidity
4. Cost

**Table 2: Venues**

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Equities - Shares and Depositary Receipts: Tick size liquidity bands 5 and 6</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1E14B9WTWWD28	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

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	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Equities - Shares and Depository Receipts: Tick size liquidity bands 3 and 4</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1E14B9WTWWD28	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

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	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Equities - Shares and Depositary Receipts: Tick size liquidity bands 1 and 2</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1E14B9WTWWD28	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

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	<b>PROFESSIONAL</b>				
Class of Instrument	<b>DEBT INSTRUMENTS: Bonds</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1E14B9WTWWD28	100%	100%	0%	100%	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

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

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

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 aspects of trading Fixed Income. We use MTF's as they provide a better price discovery function.

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities)</b>				
Notification if <1 average trade per business day in the previous year	<b>NO</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1E14B9WTWWD28	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

We use a small number of selected brokers to execute Exchange Traded Products due to the very low volumes traded 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. Costs

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Securitized Derivatives: Warrants and Certificate Derivatives</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1EI4B9WTWWD28	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

We are responsible for the issuer selection, evaluating best execution on behalf of our clients and selecting the issuers that deliver the best possible result in respect of the execution of structured notes.

For primary offerings, we will generally compare multiple bids. In most cases, the issuer selection is a result of best deal economics. In the majority of situations, secondary offerings are required to be executed with the same dealer which facilitated in the initial issuance of the products. The execution factors we took into consideration were:

1. Product availability
2. Price
3. Liquidity
4. Cost



Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Securitized Derivatives: Other Securitized Derivatives</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1E14B9WTWWD28	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

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For primary offerings, we will generally compare multiple bids. In most cases, the issuer selection is a result of best deal economics. In the majority of situations, secondary offerings are required to be executed with the same dealer which facilitated in the initial issuance of the products. The execution factors we took into consideration were:

1. Product availability
2. Price
3. Liquidity
4. Cost

Client Type	<b>PROFESSIONAL</b>				
Class of Instrument	<b>Other Instruments</b>				
Notification if <1 average trade per business day in the previous year	<b>YES</b>				
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
LONDON STOCK EXCHANGE PLC LEI Code 213800D1E14B9WTWWD28	100%	100%	n/a	n/a	0%
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

We are responsible for the issuer selection, evaluating best execution on behalf of our clients and selecting the issuers that deliver the best possible result in respect of the execution of warrants.

The execution factors we took into consideration were:

1. Product availability
2. Price
3. Liquidity
4. Cost