

**IDENTITY OF EXECUTION VENUES AND BROKERS  
QUALITY OF EXECUTION  
Sanlam Private Investments (UK) Ltd  
Retail Clients**

**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.

There may be various reasons for executing client orders undertaken as part of a number of possible contractual relationships with a client, namely discretionary, advisory or execution-only. In order to meet these distinct needs, we have investigated and considered a number of execution strategies and trading entities and venues in order to facilitate the most appropriate choice.

Sanlam Private Investments (UK) has both professional and retail clients. We always strive to obtain the best outcome for our clients. Hence, Sanlam Private Investments (UK) may exercise its judgment in the best interest of our clients, given the different needs and requirements. Specifically, best execution for retail client orders is assessed on the basis of "total consideration" which is the sum of the price and the costs incurred by clients. This report includes orders arising from discretionary, advisory and execution-only business undertaken for segregated clients' accounts.

The Firm placed client orders with a close affiliate, Sanlam Securities UK Limited. We are managing this conflict of interest by having a broker approval process in place and a Conflicts of Interest Policy in order to minimise the risks of disadvantaging our clients.

Sanlam Private Investments (UK) 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. 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 by the brokers and any potential changes to the list of approved brokers are 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.

Class of Instrument	Equities – Shares & Depository Receipts: Tick size liquidity bands 5 and 6 - Retail				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Sanlam Securities UK Limited LEI Code 2138006VCI4XWW7H6X35	58.4%	10.4%	n/a	n/a	0%
Winterflood Securities Limited LEI Code 8BRUP6V1DX3PIG2R0745	35.6%	89.5%	n/a	n/a	0%
Sanford C. Bernstein Ltd LEI Code 54930049G8WQ50OUSD19	6.0%	0.1%	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

We consider a number of execution strategies and trading entities/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.

Class of Instrument	Equities – Shares & Depository Receipts: Tick size liquidity bands 3 and 4 - Retail				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Sanlam Securities UK Limited LEI Code 2138006VCI4XWW7H6X35	55.1%	18.7%	n/a	n/a	0%
Winterflood Securities Limited LEI Code 8BRUP6V1DX3PIG2R0745	33.5%	81.2%	n/a	n/a	0%
Sanford C. Bernstein Ltd LEI Code 54930049G8WQ50OUSD19	11.4%	0.1%	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

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4. Costs
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Class of Instrument	Equities – Shares & Depository Receipts: Tick size liquidity bands 1 and 2 - Retail				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Sanlam Securities UK Limited LEI Code 2138006VCI4XWW7H6X35	80.1%	31.2%	n/a	n/a	0%
Winterflood Securities Limited LEI Code 8BRUP6V1DX3PIG2R0745	19.9%	68.8%	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

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2. Speed and likelihood of execution
3. Size and nature of the order
4. Costs
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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.

Class of Instrument	Debt instruments: Bonds- Retail				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Winterflood Gilts Limited LEI Code 213800BD519H2YV9R748	88.2%	98.4%	0%	100%	0%
Sanlam Securities UK Limited LEI Code 2138006VCI4XWW7H6X35	11.8%	146%	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

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 the price will be considered the most important factor.

Price discovery is one of the most challenging aspects of trading Fixed Income. Generally, we use Multi-Lateral Trading Facilities (MTFs) as they provide a better price discovery function.

Class of Instrument	Debt instruments: Money Markets- Retail				
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Sanlam Securities UK Limited LEI Code 2138006VCI4XWW7H6X35	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 the price will be considered the most important factor.

Price discovery is one of the most challenging aspects of trading Fixed Income. Generally, we use Multi-Lateral Trading Facilities (MTFs) as they provide a better price discovery function.

Class of Instrument	Securitized derivatives: Other securitized derivatives – Retail				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Catley Lakeman May Ltd LEI Code 2138003PXLT3ZCM8S325	56.9%	52.0%	n/a	n/a	0%
SG Option Europe LEI Code 969500FDN8G43HMHZM83	20.7%	27.7%	n/a	n/a	0%
CIBC World Markets PLC LEI Code BVRCO19C4GKNSAXXHE82	18.2%	13.5%	n/a	n/a	0%
J P Morgan Securities PLC LEI Code K6Q0W1PS1L1O4IQL9C32	3.9%	6.0%	n/a	n/a	0%
Winterflood Gilts Ltd LEI Code 213800BD519H2YV9R748	0.1%	0.7%	n/a	n/a	0%

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 products.

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. Cost
4. Liquidity

Class of Instrument	Securitized derivatives: Warrants and certificate derivatives - Retail				
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Sanlam Securities Limited LEI Code 2138006VCI4XWW7H6X35	99.7%	80.0%	n/a	n/a	0%
Winterflood Securities Limited LEI Code 8BRUP6V1DX3PIG2R0745	0.3%	20.0%	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

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. Cost
4. Liquidity



Class of Instrument	Exchange traded products (exchange traded funds, exchange traded notes and exchange traded commodities) - Retail				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	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
Sanlam Securities UK Limited LEI Code 2138006VCI4XWW7H6X35	80.0%	23.9%	n/a	n/a	0%
Winterflood Securities Limited LEI Code 8BRUP6V1DX3PIG2R0745	20.0%	76.1%	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

We tend to trade liquid and vanilla ETFs, therefore the execution factors considered were as follow:

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