IDENTITY OF EXECUTION VENUES AND BROKERS

QUALITY OF EXECUTION REPORT

Sanlam Private Investments (UK) Ltd

Professional Clients

2020

**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. This report presents the trading entities for the firm’s professional clients only. We have created a separate report for retail clients, which can be found on our website.

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. As a result of the reorganisation of internal arrangements for order handling in 2019 some brokers were added and others removed from our approved brokers list. The following changes were made to the approved broker list in 2020

Additions:

* Cowen and Company, LLC
* Goldman Sachs International
* Northern Trust Securities LLP
* Sanford C. Bernstein (Hong Kong) Limited

Removals:

* J.P. Morgan Securities plc
* Citigroup Global Markets Limited
* Deutsche Bank Aktiengesellschaft
* NatWest Markets Plc
* Sanlam Securities UK Limited
* Credit Suisse Securities (Europe) Limited

We have a Product 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 and the financial standing of the firm. The RTS 27 report has not been proven to be a useful tool for reviewing broker and is not used in this assessment.

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 & 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 (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 |
| Northern Trust Securities LLP  LEI Code  549300EF8AZLRG0UC208 | 61.50% | 77.62% | 100% | 0% | 0% |
| REDBURN (EUROPE) LIMITED  LEI Code  213800PKEJQZQXQCOJ04 | 9.07% | 5.83% | 100% | 0% | 0% |
| COWEN AND COMPANY, LLC  LEI Code 549300WR155U7DVMIW58 | 8.36% | 2.40% | 100% | 0% | 0% |
| GOLDMAN SACHS INTERNATIONAL  LEI Code W22LROWP2IHZNBB6K528 | 6.80% | 3.97% | 100% | 0% | 0% |
| COWEN EXECUTION SERVICES LIMITED  LEI Code 213800SS94VGJTFLIG64 | 4.57% | 3.30% | 100% | 0% | 0% |

We consider a number of execution strategies and trading entities 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

For orders in **Investment Trusts**, the execution factors are listed below in the order of importance.

1. Price and cost
2. Likelihood of execution

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 & 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 (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 |
| Northern Trust Securities LLP  LEI Code  549300EF8AZLRG0UC208 | 69.12% | 68.02% | 100% | 0% | 0% |
| REDBURN (EUROPE) LIMITED  LEI Code  213800PKEJQZQXQCOJ04 | 23.52% | 20.62% | 100% | 0% | 0% |
| COWEN EXECUTION SERVICES LIMITED  LEI Code 213800SS94VGJTFLIG64 | 6.79% | 8.75% | 100% | 0% | 0% |
| SANFORD C. BERNSTEIN LTD EUROPE  LEI Code 54930049G8WQ5OOUSD19 | 1.16% | 1.30% | 100% | 0% | 0% |
| GOLDMAN SACHS INTERNATIONAL  LEI Code W22LROWP2IHZNBB6K528 | 0.19% | 0.18% | 100% | 0% | 0% |

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|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Class of Instrument | Equities – Shares & 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 (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 |
| Northern Trust Securities LLP  LEI Code  549300EF8AZLRG0UC208 | 47.05% | 48.16% | 100% | 0% | 0% |
| REDBURN (EUROPE) LIMITED  LEI Code  213800PKEJQZQXQCOJ04 | 28.42% | 14.39% | 100% | 0% | 0% |
| COWEN EXECUTION SERVICES LIMITED  LEI Code 213800SS94VGJTFLIG64 | 13.93% | 29.74% | 100% | 0% | 0% |
| SANFORD C. BERNSTEIN LTD EUROPE  LEI Code 54930049G8WQ5OOUSD19 | 8.87% | 6.00% | 100% | 0% | 0% |
| SANFORD C. BERNSTEIN LTD USA  LEI Code 549300I7JYZHT7D5CO04 | 1.20% | 1.11% | 100% | 0% | 0% |

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|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Class of Instrument | Equities – Shares & Depositary Receipts | | | | |
| Notification if <1 average trade per business day in the previous year | No | | | | |
| 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 |
| Northern Trust Securities LLP  LEI Code  549300EF8AZLRG0UC208 | 47.46% | 53.05% | 100% | 0% | 0% |
| REDBURN (EUROPE) LIMITED  LEI Code  213800PKEJQZQXQCOJ04 | 39.59% | 29.06% | 100% | 0% | 0% |
| GOLDMAN SACHS INTERNATIONAL  LEI Code W22LROWP2IHZNBB6K528 | 10.99% | 15.34% | 100% | 0% | 0% |
| SANFORD C. BERNSTEIN LTD USA  LEI Code 549300I7JYZHT7D5CO04 | 1.56% | 1.95% | 100% | 0% | 0% |
| COWEN AND COMPANY, LLC  LEI Code 549300WR155U7DVMIW58 | 0.40% | 0.60% | 100% | 0% | 0% |

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

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2. Likelihood of execution

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 | 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 | No | | | | |
| 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 |
| Redburn (Europe) Limited  LEI Code 213800PKEJQZQXQCOJ04 | 47.06% | 63.50% | 100% | 0% | 0% |
| Northern Trust Securities LLP  LEI Code  549300EF8AZLRG0UC208 | 43.24% | 10.33% | 100% | 0% | 0% |
| COWEN AND COMPANY, LLC  LEI Code 549300WR155U7DVMIW58 | 6.50% | 14.31% | 100% | 0% | 0% |
| GOLDMAN SACHS INTERNATIONAL  LEI Code W22LROWP2IHZNBB6K528 | 3.20% | 11.86% | 100% | 0% | 0% |
| n/a | n/a | n/a | n/a | n/a | n/a |

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

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

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 | | | | |
| Notification if <1 average trade per business day in the previous year | Yes | | | | |
| 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 |
| Northern Trust Securities LLP  LEI Code 549300EF8AZLRG0UC208 | 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 |

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