

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

2017

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.

Sanlam is a member of the London Stock Exchange and as such it executes on the London Stock Exchange order book. Sanlam also has access Direct Market Access to various other markets, however, this report covers execution venues. The quality of execution of our trades executed via DMA can be found on our website.

A Dealing Oversight Committee oversees the quality of execution obtained on the execution venues and any changes to the list of approved brokers are discussed on a regular basis.

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.

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		
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
London Stock Exchange	100	100	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	DEBT INSTRUMENTS		
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 directed orders
London Stock Exchange	100	100	0

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

1. Likelihood of execution and settlement
2. Size and nature of order
3. Price
4. Costs

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. Generally, we use MTF's as they provide a better price discovery function.

Client Type	PROFESSIONAL		
Class of Instrument	EXCHANGE TRADED PRODUCTS		
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
London Stock Exchange	100	100	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