

Santander ISA Managers Limited (SIM) - Execution Venue Report

Period covering 1 April 2018 to 31 March 2019

References to 'we', 'us', and 'our' in this document are in respect of Santander ISA Managers Limited (SIM).

When you buy or sell a fund or other types of investments, it involves us making a transaction on your behalf from an execution venue, as outlined in Santander ISA Managers Limited's Best Execution policies.

Implementation of the Markets in Financial Instruments Directive (MiFID II), means that investment firms such as Santander ISA Managers Limited (SIM) are required to publish their Top 5 Execution Venues in terms of trading volumes (value of trades) and number of trades per Class of Financial Instruments on an annual basis.

There are many different classes of Financial Instruments in scope of this reporting, although SIM only execute transactions in the three listed below.

- Securities
- Debt Instruments
- Other Instruments

Top 5 reports will display the Execution Venue name, the information on the total volume (value of trades) and the number of trades as a percentage of all Client Orders executed on that Execution Venue in that Class of Financial Instrument.

Note that although they are featured in the tables below, we do not undertake:

- a Passive Order, which is characterised as an order that is entered into the order book of a trading venue and provides liquidity;
- an Aggressive Order, which is defined as an order that is entered into the order book of a trading venue and removes liquidity; or
- a Directed Order, when a specific Execution Venue is specified by the client prior to the execution of the order.

For further information please read the Santander ISA Managers Limited's Best Execution policies at:

santander.co.uk/personal/savings-and-investments/investments/fees-charges-and-key-documents

| Class of Instrument: | Securities | | | | |
|--|--|--|------------------------------|---------------------------------|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N/A | | | | |
| Top 5 Venues ranked in terms of Volume (Descending Order) | Proportion of volume traded as a percentage of total in that class | Proportion of orders executed as a percentage of total in that class | Percentage of Passive Orders | Percentage of Aggressive Orders | Percentage of Directed Orders |
| Santander UK (LEI PTCQB104N23FMNK2RZ28) | 100% | 100% | N/A | N/A | N/A |

SIM use the services of Santander UK exclusively as the single execution venue for the above classes of Securities Instruments. They are the single venue because we have concluded that Santander, as issuer of the securities, can offer the best possible value for the instrument types.

| Class of Instrument: | Debt Instruments | | | | |
|--|--|--|------------------------------|---------------------------------|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N/A | | | | |
| Top 5 Venues ranked in terms of Volume (Descending Order) | Proportion of volume traded as a percentage of total in that class | Proportion of orders executed as a percentage of total in that class | Percentage of Passive Orders | Percentage of Aggressive Orders | Percentage of Directed Orders |
| Santander UK (LEI PTCQB104N23FMNK2RZ28) | 100% | 100% | N/A | N/A | N/A |

SIM use the services of Santander UK exclusively as the single execution venue for the above classes of Debt Instruments. They are the single venue because we have concluded that Santander, as issuer of the Debt Instruments, can offer the best possible value for the instrument types.

| Class of Instrument: | Other Instruments | | | | |
|--|--|--|------------------------------|---------------------------------|-------------------------------|
| Notification if <1 average trade per business day in the previous year | N/A | | | | |
| Top 5 Venues ranked in terms of Volume (Descending Order) | Proportion of volume traded as a percentage of total in that class | Proportion of orders executed as a percentage of total in that class | Percentage of Passive Orders | Percentage of Aggressive Orders | Percentage of Directed Orders |
| Allfunds Bank (LEI 95980020140005844330) | 84.40% | 87.19% | N/A | N/A | N/A |
| Santander Asset Management Limited (LEI 549300UJBC6DMS3WWN86) | 15.60% | 12.81% | N/A | N/A | N/A |

'Other Instruments' in the case of SIM refers solely to collective investment schemes, including UK regulated funds and offshore based UCITS qualifying funds.

Although Santander ISA Managers Limited use two execution venues for such funds as we can see above, we use the services of Allfunds Bank exclusively as the single execution venue for the Santander Investment Hub. They are the single venue for the Santander Investment Hub because we have concluded there is no clear value for us or our customers in selecting multiple venues. Such funds are not subject to secondary market pricing mechanism, as the price is determined independently by the authorised fund manager. Allfunds Bank offer additional value adding services, in particular the ability to monitor regulatory target market data from fund managers. They also offer multiple points during the day when SIM can 'sweep' deals for execution. Note also that no transaction costs are payable to Allfunds Bank, and there are no initial charges levied on the funds.

Also, as we can see from the data above the majority of the execution of orders for this instrument are via Allfunds Bank. Given the scale of transaction activity, the primary reason for their selection was to enable a single efficient and scale-able operating model to be established that allowed the execution and settlement of trades across multiple providers of such schemes, at a competitive price. Allfunds Bank have demonstrated that it has in place an operational infrastructure with sufficient resources and arrangements that will deliver the best possible results for our customers. In addition Allfunds Bank have demonstrated, through our monitoring of best execution metrics, that they can operate within the necessary dealing cut-off points without issues arising (i.e. performance is within our key performance indicators).