

# Santander ISA Managers Limited (SIM) - Execution Venue Report

## Period covering 1 April 2020 to 31 March 2021

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.

### Background

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.

### Scope

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](https://www.santander.co.uk/personal/savings-and-investments/investments/fees-charges-and-key-documents)

### Top 5 Execution venues

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 plc (LEI PTCQB104N23FMNK2RZ28)	100%	100%	N/A	N/A	N/A

SIM use the services of Santander UK plc exclusively as the single execution venue for the above classes of Securities Instruments. They are the single venue because we have concluded that Santander UK plc, 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 plc (LEI PTCQB104N23FMNK2RZ28)	100%	100%	N/A	N/A	N/A

SIM use the services of Santander UK plc exclusively as the single execution venue for the above classes of Debt Instruments. They are the single venue because we have concluded that Santander UK plc, 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)	80.70%	86.69%	N/A	N/A	N/A
Santander Asset Management UK Limited (LEI 549300UJBC6DMS3WWN86)	19.30%	13.31%	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.

## Conclusion

### Execution factors

We consider various execution factors to determine the way orders are executed, including but not limited to:

- Price
- Cost
- Speed
- Likelihood of execution and settlement

### Quality of execution

We only use one firm, Allfunds Bank (AFB) to execute orders on the Investment Hub and have concluded there is no clear value for us or our customers in selecting multiple venues.

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. Funds are not subject to secondary market pricing mechanisms, 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.

They demonstrated, through our monthly 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). We review our processes at least annually to ensure we are continuing to deliver the best possible result for clients.

### **Conflicts of interest**

For Securities and Debt Instruments, SIM has specific arrangements with execution venues where and ONLY where the execution venue is an affiliate and a member of Banco Santander S.A. Santander UK plc operate on an arm's length basis even when there are close links with the venue. This is an ongoing practice and has not been changed during the period under review. A copy of our conflicts of interest policy is available from [santander.co.uk/personal/saving-and-investments/investments/fee-charges-and-key-investments](https://www.santander.co.uk/personal/saving-and-investments/investments/fee-charges-and-key-investments).

### **Specific arrangements**

We have no specific arrangements concerning payments made or received, discounts, rebates or non-monetary benefits with any current execution venues.

### **Annual review**

We haven't made any changes to our processes within the reporting period 1 April 2020 to 31 March 2021.

### **Customer categorisation**

All our clients are considered as retail clients therefore there is no difference in the order execution arrangement within this client category.

### **Other information**

Our assessment of execution is based on our own internal monitoring processes and does not rely on third party data, tools or output from a consolidated tape provider.