

RTS 28 and Article 65(6) MiFID II Reporting

1 January – 31 December 2020

This report covering trading during 2020 has been prepared to comply with the requirements imposed by Article 3(3) of Regulatory Technical Standard 28 (“RTS 28”) of MiFID/R and Article 65(6) of the MiFID II Delegated Organisational Regulation. Mondrian Investment Partners Limited (“Mondrian”) is required to disclose its top five execution venues by asset class traded for clients during the period together with a summary of the analysis and conclusions drawn from the execution quality monitoring that Mondrian has undertaken. This report is designed to address Mondrian’s disclosure obligations.

If you have any questions or require further detail regarding our Trade Execution Policy please contact your client representative.

Mondrian may execute orders directly with counterparties and also place orders with those counterparties for onward execution. ‘Execution’ occurs where the Mondrian executes an order directly against an execution venue: e.g. a regulated market, a Multi-lateral Trading Facility (“MTF”), a market maker or other liquidity provider. This includes MTFs such as Bloomberg, MarketAxess and TradeWeb for Fixed Income instruments or FX Connect for currency forwards.

‘Placement’ is where Mondrian places an order with another entity for it to execute, such as a broker or group dealing desk. This covers Mondrian’s Equity trading.

Qualitative Analysis

- Mondrian’s Trading Desk determines which broker to use at the point of execution based on their judgment as to which broker will be able to execute the trade most effectively.
- The primary consideration of the Trading Desk is to execute all transactions at best execution with the approved list of counterparties and the guidelines set out by the Best Execution and Trading Oversight Committee and any client-specific requirements.
- **Equities** - For Equity transactions, Mondrian places the highest equal importance on price and liquidity, followed by speed, likelihood of execution and finally costs associated with execution.
- **Fixed Income & Money Market transactions** - For Fixed Income & Money Market transactions, Mondrian places the highest importance on price, followed by liquidity, speed and finally likelihood of execution.
- **For deliverable and non-deliverable currency forwards** - For deliverable and non-deliverable currency forwards, Mondrian places the highest equal importance on price and liquidity, followed by speed, likelihood of execution and finally costs associated with execution. In order to ensure that competitive rates of execution are achieved, forward foreign exchange trade execution with all approved counterparties is actively managed by Mondrian’s Trading Desk.
- Further details on the importance of the various execution factors are set out in Mondrian’s Trade Execution Policies & Procedures.

- Generally, trading commissions are paid on equity trades only. Normally fixed income trading is done on a principal basis with the broker or directly through multilateral trading facilities so it should be expected that no commissions would be paid on these trades. Certain minimal trading venue/platform fees may be chargeable where applicable.
- Clients' custodians typically impose a trade away cost when executing currency forwards with a counterparty other than the custodian. When determining whether or not to trade away from a client's custodian on individual trades, Mondrian will consider the impact of the fee that custodians may levy for processing such transactions. Unless Mondrian has been notified otherwise, a reasonable estimate of that fee will be applied.
- Equity commission rates will be negotiated in advance annually or more frequently if necessary, and Mondrian will typically agree a single flat rate of commission for each market with each broker.
- All Clients governed by the same or a similar mandate will be structured similarly (that is, will hold the same or comparable stocks), and will exhibit similar characteristics. Sale and purchase opportunities identified at regular investment committee meetings will be applied to portfolios across the board, subject to the requirements of individual client mandates and cash availability. Mondrian's execution policy does not differentiate between Clients.
- Mondrian has no close links or other conflicts of interest with respect of any counterparties or execution venues used to execute client orders.
- Mondrian does not receive payments, discounts, rebates or non-monetary benefits in its trading arrangements. Mondrian has adopted a policy to pay for all externally-acquired research directly without passing the cost on to clients.
- The Best Execution Trading & Oversight Committee have discussed and appraised execution venues in detail throughout the year, supported by our own in house monitoring and third party independent Trade Cost Analysis.
- Additionally, Mondrian has conducted a summary review of the data published by our top counterparties under RTS 27. Nothing in this data indicated an impact to best execution either positively or negatively.
- We have determined that the venues engaged with over the period are suitable counterparties to facilitate Mondrian's execution in accordance with its Trade Execution Policies & Procedures.
- Mondrian does not currently have any retail clients. All of our clients are classified as professional and are treated equally.
- As required by MiFID II, equities traded in the European Economic Area ("EEA") have been split into the liquidity bands set out below. These are based on average daily number of transactions in the most relevant market in terms of trading for that instrument during the reporting period.
 - i. Tick size liquidity bands 5 and 6 (from 2000 trades per day)
 - ii. Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)
 - iii. Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)
- The distinction between 'passive' and 'aggressive' is not relevant to Mondrian's trading. Consequently, this column has been removed.

Quantitative Analysis

(a) Equities – Shares & Depositary Receipts

(i) Tick size liquidity bands 5 and 6 (from 2000 trades per day)

Class of Instrument		No	
Notification if <1 average trade per business day in the previous year			
Top 5 Venues ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
1. Sanford C Bernstein - 54930049G8WQ5OOUSD19	27.7	25.7	
2. Merrill Lynch International - GGDZP1UYGU9STUHRDP48	20.0	3.6	
3. Exane - 969500UP76J52A9OXU27	13.8	3.4	
4. Goldman Sachs International - W22LROWP2IHZNBB6K528	11.3	20.0	
5. JP Morgan - K6Q0W1PS1L1O4IQL9C32	9.0	16.7	

(a) Equities – Shares & Depositary Receipts

(ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)

Class of Instrument		No	
Notification if <1 average trade per business day in the previous year			
Top 5 Venues - Placement - ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
1. Sanford C Bernstein - 54930049G8WQ5OOUSD19	17.5	12.6	
2. China Intl Capital Corp LTD - 213800STG3UV87MDGA96	16.6	1.6	
3. Exane-969500UP76J52A9OXU27	14.9	11.1	
4. Jefferies International Ltd - S5THZMDUJCTQZBTRVI98	13.4	9.2	
5. Merrill Lynch International- GGDZP1UYGU9STUHRDP48	13.3	11.5	

(a) Equities – Shares & Depositary Receipts

(iii) Tick size liquidity bands 1 and 2 (from 0 to 79 trades per day)

Class of Instrument		No	
Notification if <1 average trade per business day in the previous year			
Top 5 Venues - Placement - ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
1. Instinet Europe Limited – 213800MXAKR2LA1VBM44	19.5	15.1	
2. Credit Lyonnais Securities Asia Limited - 213800VZMAGVIU2IJA72	14.5	7.5	
3. Sanford C Bernstein - 54930049G8WQ5OOUSD19	13.1	6.6	
4. SMBC Nikko Capital Markets Ltd - G7WFA3G3MT5YHH8CHG81	10.8	3.3	
5. JP Morgan - K6Q0W1PS1L1O4IQL9C32	9.8	14.8	

(b) Debt instruments

(i) Bonds

Class of Instrument		No	
Notification if <1 average trade per business day in the previous year			
Top 5 Venues - Execution - ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
1. Tradeweb - MTF (TREU)	70.6	61.1	
2. Market Axess - MTF (MAEL)	24.9	31.0	
3. BLOOMBERG- MTF (BMTF)	4.5	7.9	
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(b) Debt instruments

(i) Bonds

Class of Instrument		No	
Notification if <1 average trade per business day in the previous year			
Top 5 off-venue execution counterparties in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	
1. JP Morgan - K6Q0W1PS1L1O4IQL9C32	32.9	30.0	
2. HSBC - MP6I5ZYZBEU3UXPYFY54	27.6	22.3	
3. BNP Paribas-R0MUWSFPU8MPRO8K5P83	11.9	14.3	
4. Deutsche Bank - 7LTWFZYICNSX8D621K86	7.7	10.8	
5. Citigroup-XKZZ2JZF41MRHTR1V493	6.2	5.0	

Class of Instrument	(b) Debt instruments (ii) Money markets instruments	
	Notification if <1 average trade per business day in the previous year	
	Yes	
Top 5 Venues - Execution - ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
1. Tradeweb - MTF (TREU)	99.98	98.3
2. BLOOMBERG- MTF (BMTF)	0.02	1.7
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Class of Instrument	(b) Debt instruments (ii) Money markets instruments	
	Notification if <1 average trade per business day in the previous year	
	Yes	
Top 5 off-venue execution counterparties in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
1. Danske Bank-MAES062Z21O4RZ2U7M96	100.0	100.0
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Class of Instrument	(e) Currency derivatives - Swaps, forwards, and other currency derivatives	
	Notification if <1 average trade per business day in the previous year	
	No	
Top 5 Venues - Execution - ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
1. FX Connect - MTF (MFXC)	100.0	100.0
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Class of Instrument	(m) Other Instruments	
	Notification if <1 average trade per business day in the previous year	
	No	
Top 5 Venues - Placement - ranked in terms of volume (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
1. Goldman Sachs International - W22LROWP2IHZNBB6K528	12.8	15.2
2. Credit Lyonnais Securities Asia Limited - 213800VZMAGVIU2IJA72	12.2	20.0
3. HSBC PLC - MP6I5ZYZBEU3UXPYFY54	11.9	9.1
4. JP Morgan - K6Q0W1PS1L1O4IQL9C32	11.1	11.9
5. Merrill Lynch International- GGDZP1UYGU9STUHRDP48	10.5	6.2